

**A G E N D A**  
**REGULAR JOINT MEETING OF THE BOARD OF DIRECTORS,  
EXECUTIVE COMMITTEE, AND USER COMMITTEE**  
**TUESDAY, JANUARY 16, 2024, 2:00 PM**  
**SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY**  
**SECOND FLOOR CONFERENCE ROOM**  
**4440 W. BROADWAY, HAWTHORNE, CA**

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- A. CALL TO ORDER**
- B. ROLL CALL**
1. Board of Directors
  2. Executive Committee
  3. User Committee
- C. PUBLIC DISCUSSION**  
Members of the public will be given the opportunity to directly address the Board of Directors, Executive Committee, and the User Committee on any matter within the subject matter jurisdiction of the Authority, including items on the agenda.
- D. BOARD OF DIRECTORS CONSENT CALENDAR**
1. Minutes from July 18, 2023  
**APPROVE**
- E. ITEMS REMOVED FROM CONSENT CALENDAR**
- F. BOARD OF DIRECTORS GENERAL BUSINESS**
1. Fiscal Year 2023-2024 Mid-Year Budget Report  
**RECEIVE AND FILE**
- G. EXECUTIVE COMMITTEE CONSENT CALENDAR**
1. Minutes from September 19, 2023 and November 21, 2023  
**APPROVE**
  2. Check Register – November 2023 and December 2023  
**RECEIVE AND FILE**
  3. Fiscal Year 2022-2023 Annual Financial Report  
**RECEIVE AND FILE**
- H. ITEMS REMOVED FROM THE CONSENT CALENDAR**
- I. EXECUTIVE COMMITTEE GENERAL BUSINESS**
1. Executive Director’s Update on Staffing and Recruitment  
**RECEIVE AND FILE**
  2. A Resolution of the Board of Directors Adopting a Policy Regarding Sign-On Bonuses and Referral Bonuses for Lateral Transfer Communications Operators and Repealing Resolution No. 351 and the Previous Recruitment Incentive and Referral Bonus Policy  
**CONSIDER WHETHER TO RECOMMEND THAT THE BOARD OF DIRECTORS ADOPT A RESOLUTION ESTABLISHING A RECRUITMENT INCENTIVE AND REFERRAL BONUS POLICY**
- J. USER COMMITTEE CONSENT CALENDAR**
1. Minutes from September 19, 2023 and November 21, 2023  
**APPROVE**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Executive Assistant at 310-973-1802 ext. 100. Notification 48 hours prior to the meeting will enable the JPA to make reasonable arrangements to ensure accessibility to this meeting [28CFR35. 102-35. 104 ADA Title II].

- K. ITEMS REMOVED FROM THE CONSENT CALENDAR
- L. EXECUTIVE DIRECTOR'S REPORT
- M. BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AND USER COMMITTEE COMMENTS
- N. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA

- 1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to Government Code section 54957(b)(1)  
Title: Executive Director
- 2. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code section 54957.6(a)  
Agency Designated Representative: Jennifer Petrusis  
Unrepresented Employee: Executive Director

O. ADJOURNMENT

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Posting Date/Time: January 11, 2024/5:00PM

Signature:



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M. Ross Klun, Executive Director

D-1

**MINUTES OF A SPECIAL MEETING OF THE  
BOARD OF DIRECTORS AND REGULAR JOINT  
MEETING OF THE EXECUTIVE COMMITTEE  
AND THE USER COMMITTEE**

**JULY 18, 2023**

**A. CALL TO ORDER**

The Board of Directors, the Executive Committee and the User Committee convened in a special joint session at 2:02PM on Tuesday, July 18, 2023, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

**ROLL CALL**

Present: Councilmember Rodney Tanaka, City of Gardena  
Councilmember David Lesser, City of Manhattan Beach  
Councilmember Alex Monteiro, City of Hawthorne  
City Manager Vontray Norris, City of Hawthorne  
City Manager Bruce Moe, City of Manhattan Beach  
Chief Mike Saffell, Gardena Police Department  
Chief Gary Tomatani, Hawthorne Police Department  
Captain Christian Eichenlaud, Manhattan Beach

Absent: Chief Mike Lang, Manhattan Beach Fire Department  
Chief Rachel Johnson, Manhattan Beach Police Department  
City Manager Clint Osorio, Gardena

Also Present: Executive Director M. Ross Klun  
Operations Manager Shannon Kauffman  
Administrative Services Manager John Krok  
Finance Manager Vanessa Alfaro  
Executive Assistant Cristina Manley  
Jennifer Petrusis RWG Law  
IT Manager HPD Josh Armstrong

**C. PUBLIC DISCUSSION**

None.

**D. ELECTION OF THE BOARD OF DIRECTORS CHAIRPERSON AND VICE-CHAIRPERSON FOR FISCAL YEAR  
2023–2024**

**MOTION:** Councilmember Lesser moved to nominate Councilmember Tanaka to serve as Chairperson of the Board of Directors during Fiscal Year 2023-2024. The motion was seconded by Councilmember Monteiro and passed 3 – 0.

**MOTION:** Councilmember Tanaka moved to nominate Councilmember David Lesser to serve as Vice-Chairperson of the Board of Directors during Fiscal Year 2023-2024. The motion was seconded by Councilmember Monteiro and passed 3 – 0.

E. **BOARD OF DIRECTORS CONSENT CALENDAR**

1. Minutes from March 21, 2023  
**APPROVED**
2. Schedule of Fees and Charges for Fiscal Year 2023/24 as Described in Exhibit A of the Draft Resolution  
**ADOPT A RESOLUTION ESTABLISHING A SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2023/24**
3. Carry Over to FY2023/24 of Purchase Orders Issued in FY2022/23 for Xcel Mechanical Systems Inc., and On Power Industries LLC., and Encumbered Funds Totaling \$155,604.88  
**APPROVE CARRY OVER OF FUNDS**
4. Updated Publicly Available Pay Schedule  
**APPROVE AND ADOPT**

**MOTION:** Councilmember Tanka moved to approve the Board of Directors' Consent Calendar as written. The motion was seconded by Councilmember Monteiro and passed 3-0.

F. **ITEMS REMOVED FROM CONSENT CALENDAR**

None.

G. **BOARD OF DIRECTORS GENERAL BUSINESS**

1. Executive Director's Report on the July 9<sup>th</sup> Power Outage at the Communications Center; the Effects on the Generator, Radio System, and CAD system; and Recommendations for Preventing or Mitigating Effects of a Similar Failure in the Future  
**DISCUSS POSSIBLE POLICY ADOPTION AND PROVIDE DIRECTION**

Executive Director provided a Power Point presentation Power Outage and Generator Malfunction. Summarized a timeline from an Edison Electric initiates a scheduled power outage, to a full recovery (power out 10 minutes, restored for 20 minutes, power out again for 17 minutes, power finally restored at 21:29). Full recovery from the event lasted into the morning on Monday. Various computer network systems needed to be rebooted and brought back online in specific order, due to the abrupt power loss. CAD "manual mode incidents needed to be entered into CAD. Vendors remained on site checking equipment and looking for any related issues due to the commercial power outage. Discussed in detail of the Day Tank and discussions followed of a replacement within the next three years from a recent facility assessment findings. The generator runs on fuel coming directly from the Day Tank. The larger 6,000 storage tank feeds the Day tank. The Day Tank supplies the generator. October 2022 was a full checkup, no deficiencies found. April 2023 was a routine checkup, deficiencies were noted with the Day Tank. A replacement Day Tank was ordered and will not arrive for several more weeks. These measures resolve the root cause of the generator furl problem. RCC has 4 layers of radio communications for backup and the 3<sup>rd</sup> lay are the "Doomsday" radios at each dispatch console within RCC. More cell phones, and purchasing portable power banks to charge them and loading critical information into cloud-based drive for

access from Authority's mobile devices and laptops. This event on Sunday is the first of its kind at the Authority. No one can recall ever having such an occurrence in over 25 years. The generator company said what happened was unusual and rare. Having a single standby generator is most common at critical facilities but is also a single point-of-failure. Discussed options to mitigate measures and protocols refinements seems to reasonably address what happened.

Councilmember Lesser shared concerns/discussions that he had with the User Committee. If the Board would agree, to direct the User Committee to have the ability to bring on a third party to evaluate the resiliency of headquarters and protocols relative to power outages and disasters. The User Committee input from the users themselves to make that determination.

City Manager Moe requested to be notified directly of such occurrence. All boards showed be notified and W/C.

Councilmember Tanka discussed options for the Day Tank and Fuel (failed due to mechanical problems) our system failed. Consider looking at fuel as an option. Manager Krok mentioned getting a quote re-piping and replacement of Day Tank.

**MOTION:** Councilmember Lesser moved for the Board directing the User Committee to consider using a 3<sup>rd</sup> party consultant to evaluate the resiliency of the Authority's headquarters facility and protocols relative to power outages and disasters. The motion was seconded by Councilmember Monteiro and passed 3 - 0

**2<sup>nd</sup> MOTION:** Councilmember Tanka moved to approve Executive Committee and Board of Directors get notified anytime there's a significant disruption of service or any major events at RCC. The motion was seconded by Councilmember Monteiro and passed 3 - 0

2. Resolution Adopting Updated Assessments for Fiscal Year 2023-2024 and Corresponding Assessment Schedule and Authorizing Authority to Utilize Fund Balance of \$19,186 to Offset Assessment Increases, an Overall Increase of \$13,292 From the March Adopted Assessments

Finance Manager Alfaro discussed in detail the variation of numbers/percentages for each city and the increases. The revised assessments total for FY24 is \$13,243,872, of which the Authority will bill member and contract cities \$13,224,686, or \$19,186 less that will be offset by the Authority's Enterprise fund balance. In comparison to the original assessments total adopted on March 21, 2023, the Authority will collect \$13,292 less, which is the decrease in assessment for Culver City.

**ADOPT A RESOLUTION ADOPTING UPDATED ASSESSMENTS AND CORRESPONDING ASSESSMENT SCHEDULE AND AUTHORIZING OFFSET**

**MOTION:** Councilmember Tanka moved to approve Resolution Adopting Updates Assessments for Fiscal Year 2023-2024. The motion was seconded by Councilmember Lesser and passed 3 – 0

H. **ELECTION OF THE EXECUTIVE COMMITTEE CHAIRPERSON AND VICE-CHAIRPERSON FOR FISCAL YEAR 2023-2024**

**MOTION:** City Manager Norris moved to nominate City Manager Osorio to serve as Chairperson of the Executive Committee, seconded by City Manager Moe, and passed by unanimous roll call vote.

**MOTION:** City Manager Norris moved to nominate City Manager Norris to serve as Vice-Chairperson of the Executive Committee during Fiscal Year 2023-2024. The motion was seconded by City Manager Moe and passed by unanimous roll call vote.

I. **EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Check Register– June 2023  
**RECEIVE AND FILE**
2. Authorize the Executive Director to Bind and Approve FY 2023/24 Insurance Policies Proposed by Alliant Insurance Services, Inc. for Insurance Necessary to Protect the Authority and its Member Agencies; and Approve Purchase Orders Associated With 2023/24 Insurance Policies Proposed by Alliant Insurance Services, Inc. in an Amount Not- To-Exceed \$357,744  
**AUTHORIZE EXECUTIVE DIRECTOR TO BIND AND APPROVE INSURANCE POLICIES AND APPROVE AND AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE PURCHASE ORDERS**
3. Resolution Establishing Ad Hoc Committee to Assist Executive Committee in Selecting a Computer Aided Dispatch Consultant  
**ADOPT RESOLUTION ESTABLISHING AD HOC COMMITTEE**

MOTION: Chief Saffell moved to approve the Executive Committee Consent Calendar items 1- 3. The motion was seconded by City Manager Moe and passed 3 - 0

J. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

K. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Executive Director's Update on Staffing and Recruitment  
**RECEIVE AND FILE**

Director Klun provided a s staffing report with our recruitment. Two candidates in backgrounds.

L. **ELECTION OF THE USER COMMITTEE CHAIRPERSON AND VICE-CHAIRPERSON FOR FISCAL YEAR 2023-2024**

**MOTION:** Chief Saffell moved to nominate Chief Lang to serve as Chairperson of the User Committee during Fiscal Year 2023-2024. The motion was seconded by Captain Eichenlaud and passed 3 – 0.

**MOTION:** Chief Saffell moved to nominate Chief Saffell to serve as Vice-Chairperson of the User Committee during Fiscal Year 2023-2024. The motion was seconded by Captain Eichenlaud and passed 3 – 0.

M. **USER COMMITTEE CONSENT CALENDAR**

None.

N. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

O. **USER COMMITTEE GENERAL BUSINESS**

1. Consider Using PulsePoint Community Notification Software for Fire Department Dispatch Needs at South Bay Regional Public Communications Authority  
**PROVIDE DIRECTION**

Director Klun shared Chief Lang’s proposal to the Authority to take on a service called PulsePoint. Phone application, interfaces with our dispatch CAD system and provides information to the public through APP. County has been using this service for a few years. The main purpose is to alert folks who have medical training that know CPR of a cardiac arrest near them so they can respond in public places. Public can get notified of a cardiac arrest in real-time in public places and respond. Operational side, PulsePoint it does not add any work load to dispatchers. Our CAD system currently does not provide that real-time feed into that PulsePoint application, it would require additional manual intervention from dispatchers.

**MOTION:** Chief Saffell moved forward with the technical aspect of PulsePoint to see the feasibility of this project and report to the User Committee on its finding. The motion was seconded by Captain Eichenlaud and passed 3 - 0

P. **EXECUTIVE DIRECTOR’S REPORT**

Director Klun reported that the CAD letter of termination was sent out last month. Our official end date, allowing for 180 days to pass, is January 2, 2024. Update on the CAD consultant Ad Hoc committee. Invitations have been sent to all nine agencies, seven agencies have provided their choice. Select a CAD consultant by RFP.



Q. **BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AND USER COMMITTEE COMMENTS**

Councilmember Lesser requested a full report of history of Mark43 – steps moving forward. Organizational documents on the website – post bylaws and JPA documents.

R. **ADJOURNMENT**

The meeting was adjourned at 3:02PM.

F-1



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** January 16, 2024

**ITEM NUMBER:** F-1

**TO:** Board of Directors

**FROM:** Ross Klun, Executive Director  
Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** FISCAL YEAR 2023-2024 MID-YEAR BUDGET REPORT

**ATTACHMENTS:** 1. Revenue Status Report  
2. Expenditure Status Report

### **RECOMMENDATION**

Staff recommends that the Board of Directors receive and file the Fiscal Year 2023-2024 Mid-Year Budget Performance Report for the period July 1, 2023 through December 31, 2023.

### **DISCUSSION**

Staff has analyzed the Authority's financial activities through December 31, 2023. The Authority has accrued approximately 85% in assessment revenues from its member cities and 75% from contract cities (Attachment #1) in accordance with the FY23-24 budget adopted by the Board of Directors in March 2023 and subsequent revised assessments and assessment schedule adopted in July 2023. Revenues as of December 31, 2023 total \$11,428,982.92, or about 80% of projected revenues for FY24.

As it relates to expenses (Attachment #2), a total of \$6,144,856 has been expended from the Enterprise Fund, which represents 44.9% of the budget in the first half of the fiscal year.

Expenses for salary and benefits represent 46.1% of their budgeted amounts, across all departments. However, this percentage also includes the CalPERS unfunded actuarial liability (UAL) lump sum payment of \$612,406 for fiscal year 2023-24, which generates interest savings of nearly \$20,480 compared to monthly payments throughout the year. Additionally, the Authority's liability and workers' compensation insurance premiums for the entire fiscal year, totaling approximately \$357,744, were also paid in full in the first quarter of the fiscal year. Expenses for supplies, services and equipment represent 40.2% of their budgeted amounts, across all departments. Finally, expenses for capital improvement projects represent 51.3% of the budgeted amount.

Below is a summary of expenses by category and department for all funds:

Department	Adjusted Appropriation	Year-to-date Expenses	Percent Used	Year-to-date Encumbrances	Balance	Percent Used (w/ encumbrances)
<b>SALARY &amp; BENEFITS</b>						
Administration	\$ 1,371,961	\$ 660,566	48.1%	\$ -	\$ 711,395	48.1%
Operations	8,178,845	3,731,910	45.6%	-	4,446,935	45.6%
Technical Services	789,430	371,497	47.1%	-	417,933	47.1%
<b>Salary &amp; Benefits Total</b>	<b>\$ 10,340,236</b>	<b>\$ 4,763,973</b>	<b>46.1%</b>	<b>\$ -</b>	<b>\$5,576,263</b>	<b>46.1%</b>
<b>SUPPLIES, SERVICES &amp; EQUIPMENT</b>						
Administration	\$ 1,313,963	\$ 631,337	48.0%	\$ 360,702	\$ 321,924	75.5%
Operations	376,532	70,995	18.9%	54,890	250,647	33.4%
Technical Services	1,288,199	496,113	38.5%	792,886	(801)	100.1%
<b>Total</b>	<b>\$ 2,978,693</b>	<b>\$ 1,198,444</b>	<b>40.2%</b>	<b>\$ 1,208,478</b>	<b>\$ 571,771</b>	<b>80.8%</b>
<b>CAPITAL IMPROV. PROJECTS</b>						
	\$ 355,605	\$ 182,439	51.3%	\$ 101,618	\$ 71,548	79.9%
<b>ENTERPRISE FUND TOTAL</b>						
	<b>\$ 13,674,534</b>	<b>\$ 6,144,856</b>	<b>44.9%</b>	<b>\$ 1,310,096</b>	<b>\$6,219,582</b>	<b>54.5%</b>

Staff is reporting progress made, during the first half of the fiscal year, on the following FY23-24 work plan objectives:

- Staffing & Recruitment

Reach and maintain budgeted staffing levels ≥90% for Communications Operators and Supervisors. Identify areas of further improvement in recruitment and hiring.

*Status: The Authority has made refinements to streamline the background investigation part of our hiring process. This has reduced the overall time needed to hire applicants by several months, in some cases. We are proposing a new recruitment incentive and referral bonus program to help attract well-qualified lateral dispatcher transfers. Our staffing levels have fluctuated in the 80% range and we anticipate hiring another group of Communications Operators in a few months which could bring us to the high-80% range.*

- Mark43 CAD System

Complete development of the Mark43 Computer Aided Dispatch (CAD) system and go live with the product. Continue work with Mark43, during post-cutover phase, on refinements.

*Status: The Authority terminated its contract with Mark43 and immediately moved forward with the process of identifying another CAD vendor. We have completed a Request for Qualifications (RFQ) process and identified four qualified CAD vendors. The Authority is now in the Request for Proposals (RFP) phase for CAD replacement. Contract award is anticipated in mid-April, 2024.*

- Fiscal Sustainability

Develop a 5-Year Capital Improvement Plan (CIP). Work with the Authority's Treasurer on the CIP funding strategy. Propose Budgetary Policy amendments for the use and remittance of the unreserved Fund 10 Enterprise Fund balance.

*Status: The Authority has hired a Matrix Consulting Group to assist us in the development of a 5-Year CIP. Matrix previously worked with the Authority to create*

*our Cost Allocation Policy. We have recently consulted with the Authority's Treasurer guidance and direction as we move closer to a final CIP draft. We plan to present this at an upcoming committee meeting.*

- **Strategic Plan**

Work with internal and external stakeholders, User and Executive Committees, and Board of Directors, to develop a 5-year strategic plan for the Authority.

*Status: The Authority is working with a consultant to develop a current 5-Year Strategic Plan. Nearly all stakeholder engagement has been completed. Several working group meetings have taken place at the Authority and engagement with all staff members will be happening soon. We anticipate presentation of the Strategic Plan to our governing bodies in March.*

Finally, staff is reporting that, after many months of waiting, the Authority has received a final reimbursement in the amount of \$118,870 for COVID-19 related expenses submitted to FEMA's Public Assistance Program in 2020 when disaster relief funds became available and the Authority was eligible to apply. We contemplate utilizing these funds to undertake sooner, rather than later, a major remodeling project of the kitchen, breakroom, restrooms, and patio area. This high-use collective space needs modernization. The Authority sees this as an opportunity to include wellness design elements and create a better space that can provide relief from job stresses.

**FISCAL IMPACT**

None.

F-1

Attachment 1

## Revenue Status Report

**SOUTH BAY REGIONAL PCA**  
 7/1/2023 through 12/31/2023

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-50 Administration					
10-50-111 Administration					
10-50-111-4110 Gardena	2,474,182.00	2,095,806.75	2,095,806.75	378,375.25	84.71
10-50-111-4120 Hawthorne	2,977,528.00	2,529,284.65	2,529,284.65	448,243.35	84.95
10-50-111-4130 Manhattan Beach	1,830,007.00	1,553,137.00	1,553,137.00	276,870.00	84.87
10-50-111-4140 Hermosa Beach	887,842.00	661,401.75	661,401.75	226,440.25	74.50
10-50-111-4145 El Segundo	2,044,684.00	1,533,513.00	1,533,513.00	511,171.00	75.00
10-50-111-4146 Culver City Assessment	3,029,629.00	2,272,221.75	2,272,221.75	757,407.25	75.00
10-50-111-4150 El Camino Community College	790.00	0.00	0.00	790.00	0.00
10-50-111-4153 Medical Director Service/Manhattan Beach	30,500.00	7,625.01	7,625.01	22,874.99	25.00
10-50-111-4210 Investment Earnings (LAIF)	30,000.00	69,993.55	69,993.55	-39,993.55	233.31
10-50-111-4220 POST Reimbursements	5,000.00	650.00	650.00	4,350.00	13.00
10-50-111-4240 911 Reimbursements	5,000.00	0.00	0.00	5,000.00	0.00
10-50-111-4241 Redondo Beach Maintenance Agreement	13,000.00	0.00	0.00	13,000.00	0.00
10-50-111-4255 Unrealized Gain/Loss on Investments	0.00	91,467.21	91,467.21	-91,467.21	0.00
10-50-111-4430 Other Miscellaneous Revenue	2,500.00	31,615.82	31,615.82	-29,115.82	1264.63
<b>Total Administration</b>	13,330,662.00	10,846,716.49	10,846,716.49	2,483,945.51	81.37
10-60 Operations					
10-60-211 Communications Center					
10-60-211-4440 Reimbursements/Verizon Wireless	65,000.00	0.00	0.00	65,000.00	0.00

## Revenue Status Report

SOUTH BAY REGIONAL PCA  
 7/1/2023 through 12/31/2023

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
Total Operations	65,000.00	0.00	0.00	65,000.00	0.00
10-70 Technical Services					
10-70-311 Technical Services					
10-70-311-4360 Reimbursements for Billable Parts	739,900.00	463,396.08	463,396.08	276,503.92	62.63
10-70-311-4370 Reimbursements for GST Software	52,692.00	0.00	0.00	52,692.00	0.00
Total Technical Services	792,592.00	463,396.08	463,396.08	329,195.92	58.47
Total SBRPCA Enterprise Fund	14,188,254.00	11,310,112.57	11,310,112.57	2,878,141.43	79.71



## Revenue Status Report

SOUTH BAY REGIONAL PCA  
 7/1/2023 through 12/31/2023

**20 Grant Fund**

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
20-80 Capital Infrastructure Projects					
20-80-458 COVID-19					
20-80-458-4275 Grant Reimb/COVID-19	0.00	118,870.35	118,870.35	-118,870.35	0.00
<b>Total Grant Fund</b>	0.00	118,870.35	118,870.35	-118,870.35	0.00
 <b>Grand Total</b>	 14,188,254.00	 11,428,982.92	 11,428,982.92	 2,759,271.08	 80.55

F-1

Attachment 2

**Expenditure Status Report**

**SOUTH BAY REGIONAL PCA**  
 7/1/2023 through 12/31/2023

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
50 Administration						
50-100 Administration						
50-100-5000 Expenditures						
50-111-5101 Salaries (Full-Time)	938,840.00	446,743.86	446,743.86	0.00	492,096.14	47.58
50-111-5102 Salaries (Part-Time)	30,000.00	45.37	45.37	0.00	29,954.63	0.15
50-111-5103 Overtime	0.00	905.98	905.98	0.00	-905.98	0.00
50-111-5104 Acting Pay	676.00	0.00	0.00	0.00	676.00	0.00
50-111-5107 Longevity Pay	2,600.00	2,550.00	2,550.00	0.00	50.00	98.08
50-111-5108 Sick Leave Payoff	30,418.00	7,422.28	7,422.28	0.00	22,995.72	24.40
50-111-5109 Vacation Leave Payoff	27,389.00	8,145.03	8,145.03	0.00	19,243.97	29.74
50-111-5112 Other Pay	13,000.00	1,437.50	1,437.50	0.00	11,562.50	11.06
50-111-5201 Medical Insurance	80,128.00	38,153.10	38,153.10	0.00	41,974.90	47.62
50-111-5202 Dental Insurance	10,757.00	5,024.58	5,024.58	0.00	5,732.42	46.71
50-111-5203 Vision Insurance	2,226.00	998.28	998.28	0.00	1,227.72	44.85
50-111-5204 Life Insurance	1,274.00	612.00	612.00	0.00	662.00	48.04
50-111-5205 Medicare	15,088.00	6,759.69	6,759.69	0.00	8,328.31	44.80
50-111-5207 Workers' Compensation	8,316.00	7,285.00	7,285.00	0.00	1,031.00	87.60
50-111-5208 PERS Contributions	105,108.00	49,400.52	49,400.52	0.00	55,707.48	47.00
50-111-5209 Retirees' Medical Insurance	6,000.00	2,739.66	2,739.66	0.00	3,260.34	45.66
50-111-5211 Social Security	0.00	2.82	2.82	0.00	-2.82	0.00
50-111-5212 Deferred Comp Matching Benefit	27,600.00	11,787.50	11,787.50	0.00	15,812.50	42.71
50-111-5219 PERS Contributions-UAL	72,541.00	70,552.64	70,552.64	0.00	1,988.36	97.26
50-111-5220 FSA Expense	630.00	220.50	220.50	31.50	378.00	40.00
50-111-5301 Networking Services	38,800.00	15,072.03	15,072.03	22,409.00	1,318.97	96.60
50-111-5302 IT Computer Contract Services	55,000.00	13,750.00	13,750.00	41,250.00	0.00	100.00
50-111-5304 Accounting/Auditing Services	34,881.00	22,050.00	22,050.00	0.00	12,831.00	63.21
50-111-5305 Legal Services	105,700.00	12,111.21	12,111.21	93,588.79	0.00	100.00
50-111-5306 Recruitment Costs	65,395.00	16,246.82	16,246.82	44,811.00	4,337.18	93.37
50-111-5307 Software Maintenance Services	81,548.00	62,631.24	62,631.24	15,134.69	3,782.07	95.36
50-111-5308 Banking Services (Fees)	7,500.00	660.62	660.62	0.00	6,839.38	8.81

**Expenditure Status Report**

**SOUTH BAY REGIONAL PCA**  
 7/1/2023 through 12/31/2023

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
50-111-5309 Online/Website Maintenance Services	7,500.00	6,418.95	6,418.95	961.00	120.05	98.40
50-111-5311 IT Consulting Services	43,000.00	6,000.00	6,000.00	12,000.00	25,000.00	41.86
50-111-5312 Medical Director Services/Paramedics	30,500.00	7,625.01	7,625.01	22,874.99	0.00	100.00
50-111-5313 Temporary Staffing Services	20,000.00	0.00	0.00	0.00	20,000.00	0.00
50-111-5401 Memberships & Dues	840.00	567.00	567.00	0.00	273.00	67.50
50-111-5402 Publications	750.00	79.80	79.80	0.00	670.20	10.64
50-111-5403 Conferences, Meetings & Travel	28,000.00	7,735.65	7,735.65	0.00	20,264.35	27.63
50-111-5404 Employee Services	13,813.50	947.37	947.37	4,061.32	8,804.81	36.26
50-111-5405 Employee Awards	500.00	0.00	0.00	0.00	500.00	0.00
50-111-5501 Office Supplies	10,000.00	3,353.72	3,353.72	3,408.81	3,237.47	67.63
50-111-5502 Janitorial Supplies	12,100.00	2,004.55	2,004.55	4,266.66	5,828.79	51.83
50-111-5507 Postage & Shipping	1,000.00	717.06	717.06	1,036.19	-753.25	175.33
50-111-5509 Reproduction	500.00	0.00	0.00	0.00	500.00	0.00
50-111-5511 Office Equipment Lease	15,750.00	1,147.58	1,147.58	8,352.42	6,250.00	60.32
50-111-5513 General Liability Insurance Premium	337,000.00	266,686.51	266,686.51	0.00	70,313.49	79.14
50-111-5517 Vehicle Operations	2,000.00	210.00	210.00	290.00	1,500.00	25.00
50-111-5601 Telephone - Administration	17,969.00	7,801.96	7,801.96	0.00	10,167.04	43.42
50-111-5701 Maintenance - HQ	173,506.55	77,570.91	77,570.91	86,225.44	9,710.20	94.40
50-111-5703 Electricity - HQ	150,000.00	82,683.39	82,683.39	0.00	67,316.61	55.12
50-111-5704 Electricity - Grandview	3,171.00	1,400.06	1,400.06	0.00	1,770.94	44.15
50-111-5705 Electricity - Punta Place	10,570.00	5,400.58	5,400.58	0.00	5,169.42	51.09
50-111-5706 Gas - HQ	16,912.00	3,779.77	3,779.77	0.00	13,132.23	22.35
50-111-5707 Water - HQ	5,126.45	1,946.92	1,946.92	0.00	3,179.53	37.98
50-111-5715 Electricity-MB Water Tower	6,500.00	1,685.92	1,685.92	0.00	4,814.08	25.94
50-111-5810 Office Equipment	10,000.00	0.00	0.00	0.00	10,000.00	0.00
50-111-5820 Other Equipment	5,000.00	2,072.69	2,072.69	0.00	2,927.31	41.45
50-111-5830 Furniture & Fixtures	2,500.00	758.68	758.68	0.00	1,741.32	30.35
<b>Total Expenditures</b>	<b>2,685,923.50</b>	<b>1,291,902.31</b>	<b>1,291,902.31</b>	<b>360,701.81</b>	<b>1,033,319.38</b>	<b>61.53</b>
<b>Total Administration</b>	<b>2,685,923.50</b>	<b>1,291,902.31</b>	<b>1,291,902.31</b>	<b>360,701.81</b>	<b>1,033,319.38</b>	<b>61.53</b>
51 GASB 68 Pension Expenses						
51-100 Administration						

**Expenditure Status Report**

**SOUTH BAY REGIONAL PCA  
 7/1/2023 through 12/31/2023**

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
51-100-5000 Expenditures						
<b>Total GASB 68 Pension Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00
60 Operations						
60-200 Operations						
60-200-5000 Expenditures						
60-211-5101 Salaries (Full-Time)	5,412,120.00	1,849,776.54	1,849,776.54	0.00	3,562,343.46	34.18
60-211-5102 Salaries (Part-Time)	0.00	30,006.02	30,006.02	0.00	-30,006.02	0.00
60-211-5103 Overtime	225,000.00	537,093.02	537,093.02	0.00	-312,093.02	238.71
60-211-5104 Acting Pay	10,000.00	2,315.41	2,315.41	0.00	7,684.59	23.15
60-211-5105 Bilingual Pay	9,600.00	4,950.00	4,950.00	0.00	4,650.00	51.56
60-211-5108 Sick Leave Payoff	95,000.00	62,985.07	62,985.07	0.00	32,014.93	66.30
60-211-5109 Vacation Leave Payoff	75,000.00	28,063.55	28,063.55	0.00	46,936.45	37.42
60-211-5110 Training Pay	15,000.00	7,693.80	7,693.80	0.00	7,306.20	51.29
60-211-5112 Other Pay	0.00	8,500.00	8,500.00	0.00	-8,500.00	0.00
60-211-5114 Holiday Payoff	52,000.00	3,360.28	3,360.28	0.00	48,639.72	6.46
60-211-5115 Education Incentive Pay	132,173.00	47,755.08	47,755.08	0.00	84,417.92	36.13
60-211-5201 Medical Insurance	600,055.00	252,434.57	252,434.57	0.00	347,620.43	42.07
60-211-5202 Dental Insurance	56,173.00	22,515.61	22,515.61	0.00	33,657.39	40.08
60-211-5203 Vision Insurance	17,207.00	6,597.69	6,597.69	0.00	10,609.31	38.34
60-211-5204 Life Insurance	11,629.00	4,428.50	4,428.50	0.00	7,200.50	38.08
60-211-5205 Medicare	88,311.00	37,205.81	37,205.81	0.00	51,105.19	42.13
60-211-5206 Unemployment Insurance	15,000.00	758.00	758.00	0.00	14,242.00	5.05
60-211-5207 Workers' Compensation	39,500.00	34,602.00	34,602.00	0.00	4,898.00	87.60
60-211-5208 PERS Contributions	658,562.00	228,292.95	228,292.95	0.00	430,269.05	34.67
60-211-5209 Retirees' Medical Insurance	72,000.00	33,623.82	33,623.82	0.00	38,376.18	46.70
60-211-5212 Deferred Comp Matching Benefit	76,500.00	27,739.73	27,739.73	0.00	48,760.27	36.26
60-211-5219 PERS Contributions-UAL	514,011.00	499,908.45	499,908.45	0.00	14,102.55	97.26
60-211-5220 FSA Expense	4,004.00	1,304.28	1,304.28	331.50	2,368.22	40.85
60-211-5302 Computer Contract/CAD	146,000.00	1,760.00	1,760.00	44,000.00	100,240.00	31.34
60-211-5401 Memberships & Dues	2,290.00	131.00	131.00	0.00	2,159.00	5.72

**Expenditure Status Report**

**SOUTH BAY REGIONAL PCA**  
 7/1/2023 through 12/31/2023

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
60-211-5402 Publications	1,710.00	0.00	0.00	0.00	1,710.00	0.00
60-211-5403 Conferences, Meetings & Travel	23,846.00	4,017.24	4,017.24	5,115.00	14,713.76	38.30
60-211-5404 Employee Services	2,500.00	2,439.53	2,439.53	0.00	60.47	97.58
60-211-5405 Employee Awards	1,000.00	0.00	0.00	0.00	1,000.00	0.00
60-211-5406 POST Training	12,608.00	894.00	894.00	0.00	11,714.00	7.09
60-211-5407 Tuition Reimbursement	16,000.00	3,405.50	3,405.50	0.00	12,594.50	21.28
60-211-5506 Uniforms/Safety Equipment	8,000.00	2,485.70	2,485.70	5,443.50	70.80	99.12
60-211-5509 Reproduction	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5603 Telephone - El Segundo	3,171.00	1,545.16	1,545.16	0.00	1,625.84	48.73
60-211-5604 Telephone - Gardena	3,171.00	390.50	390.50	0.00	2,780.50	12.31
60-211-5606 Telephone - Hawthorne	20,000.00	11,507.88	11,507.88	0.00	8,492.12	57.54
60-211-5607 Telephone - Hermosa Beach	12,684.00	3,453.03	3,453.03	0.00	9,230.97	27.22
60-211-5608 Telephone - Manhattan Beach	6,342.00	1,886.02	1,886.02	0.00	4,455.98	29.74
60-211-5611 Telephone - Punta Place	4,756.50	520.44	520.44	0.00	4,236.06	10.94
60-211-5612 Telephone - RCC	11,627.00	4,155.41	4,155.41	0.00	7,471.59	35.74
60-211-5614 Verizon Wireless Reimbursable	65,000.00	25,043.70	25,043.70	0.00	39,956.30	38.53
60-211-5615 Telephone - Culver City	15,326.50	6,877.39	6,877.39	0.00	8,449.11	44.87
60-211-5810 Office Equipment	5,000.00	0.00	0.00	0.00	5,000.00	0.00
60-211-5820 Other Equipment	15,000.00	482.12	482.12	0.00	14,517.88	3.21
<b>Total Operations</b>	<b>8,555,377.00</b>	<b>3,802,904.80</b>	<b>3,802,904.80</b>	<b>54,890.00</b>	<b>4,697,582.20</b>	<b>45.09</b>
70 Technical Services						
70-300 Technical Services						
70-300-5000 Expenditures						
70-311-5101 Salaries (Full-Time)	507,570.00	190,156.88	190,156.88	0.00	317,413.12	37.46
70-311-5103 Overtime	3,500.00	17,165.70	17,165.70	0.00	-13,665.70	490.45
70-311-5107 Merit Pay	850.00	400.00	400.00	0.00	450.00	47.06
70-311-5108 Sick Leave Payoff	10,500.00	8,277.13	8,277.13	0.00	2,222.87	78.83
70-311-5109 Vacation Leave Payoff	10,000.00	6,704.65	6,704.65	0.00	3,295.35	67.05
70-311-5110 Training Pay	0.00	477.00	477.00	0.00	-477.00	0.00
70-311-5201 Medical Insurance	61,200.00	17,335.27	17,335.27	0.00	43,864.73	28.33
70-311-5202 Dental Insurance	6,300.00	3,043.35	3,043.35	0.00	3,256.65	48.31

**Expenditure Status Report**

**SOUTH BAY REGIONAL PCA  
 7/1/2023 through 12/31/2023**

**10 SBRPCA Enterprise Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
70-311-5203 Vision Insurance	1,790.00	815.41	815.41	0.00	974.59	45.55
70-311-5204 Life Insurance	1,020.00	425.00	425.00	0.00	595.00	41.67
70-311-5205 Medicare	7,764.00	3,127.56	3,127.56	0.00	4,636.44	40.28
70-311-5207 Workers' Compensation	56,132.00	49,170.00	49,170.00	0.00	6,962.00	87.60
70-311-5208 PERS Contributions	58,676.00	22,848.83	22,848.83	0.00	35,827.17	38.94
70-311-5209 Retirees' Medical Insurance	18,000.00	6,542.85	6,542.85	0.00	11,457.15	36.35
70-311-5212 Deferred Comp Matching Benefit	3,000.00	3,062.50	3,062.50	0.00	-62.50	102.08
70-311-5219 PERS Contributions-UAL	43,128.00	41,944.91	41,944.91	0.00	1,183.09	97.26
70-311-5302 IT Computer Contract Services	145,000.00	36,250.00	36,250.00	108,750.00	0.00	100.00
70-311-5311 GST Software Reimbursable	52,692.00	39,519.00	39,519.00	13,173.00	0.00	100.00
70-311-5403 Conferences, Meetings & Travel	2,650.00	50.00	50.00	0.00	2,600.00	1.89
70-311-5503 General Technical Supplies	7,500.00	3,163.09	3,163.09	0.00	4,336.91	42.17
70-311-5506 Uniforms/Safety Equipment	2,500.00	952.77	952.77	1,547.23	0.00	100.00
70-311-5507 Postage & Shipping	1,200.00	0.00	0.00	0.00	1,200.00	0.00
70-311-5514 Parts - Billing	739,900.00	238,340.10	238,340.10	503,336.06	-1,776.16	100.24
70-311-5517 Vehicle Operations	4,756.50	905.02	905.02	1,080.00	2,771.48	41.73
70-311-5520 Equipment Repair	5,000.00	0.00	0.00	0.00	5,000.00	0.00
70-311-5521 Outside Technical Serv-Towers & Equip	325,000.00	176,933.15	176,933.15	165,000.00	-16,933.15	105.21
70-311-5810 Office Equipment	2,000.00	0.00	0.00	0.00	2,000.00	0.00
<b>Total Technical Services</b>	<b>2,077,628.50</b>	<b>867,610.17</b>	<b>867,610.17</b>	<b>792,886.29</b>	<b>417,132.04</b>	<b>79.92</b>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
80-454-5901 CIP Expenditures-IT Infrastructure/Equip	355,604.88	182,439.00	182,439.00	101,617.88	71,548.00	79.88
<b>Total Expenditures</b>	<b>355,604.88</b>	<b>182,439.00</b>	<b>182,439.00</b>	<b>101,617.88</b>	<b>71,548.00</b>	<b>79.88</b>
<b>Total CIP</b>	<b>355,604.88</b>	<b>182,439.00</b>	<b>182,439.00</b>	<b>101,617.88</b>	<b>71,548.00</b>	<b>79.88</b>
<b>Total Capital Infrastructure Projects</b>	<b>355,604.88</b>	<b>182,439.00</b>	<b>182,439.00</b>	<b>101,617.88</b>	<b>71,548.00</b>	<b>79.88</b>
<b>Total SBRPCA Enterprise Fund</b>	<b>13,674,533.88</b>	<b>6,144,856.28</b>	<b>6,144,856.28</b>	<b>1,310,095.98</b>	<b>6,219,581.62</b>	<b>54.52</b>

## Expenditure Status Report

SOUTH BAY REGIONAL PCA  
 7/1/2023 through 12/31/2023

**20 Grant Fund**

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
<b>Total Grant Fund</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total</b>	13,674,533.88	6,144,856.28	6,144,856.28	1,310,095.98	6,219,581.62	54.52



**G-1**

**MINUTES OF A REGULAR JOINT MEETING  
OF THE EXECUTIVE COMMITTEE AND THE  
USER COMMITTEE**

**SEPTEMBER 19, 2023**

A. **CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:02PM on Tuesday, September 19, 2023, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

B. **ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Bruce Moe, City of Manhattan Beach  
City Manager Clint Osorio, City of Gardena  
Chief Mike Saffell, Gardena Police Department  
Chief Gary Tomatani, Hawthorne Police Department  
Chief Rachel Johnson, Manhattan Beach Police Department  
Chief Mike Lang, Manhattan Beach Fire Department  
Capitan Andrew Enriquez, Manhattan Beach Police Department

Absent: Administrative Services Manager John Krok

Also Present: Executive Director M. Ross Klun  
Operations Manager Shannon Kauffman  
Finance Manager Vanessa Alfaro  
Executive Assistant Cristina Manley  
RWG Law Jennifer Petrusis

C. **PUBLIC DISCUSSION**

None.

D. **EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Check Register – July 2023 and August 2023  
**RECEIVE AND FILE**
2. Minutes from June 20, 2023  
**APPROVE**
3. Minutes from June 28, 2023  
**APPROVE**
4. Minutes from July 18, 2023  
**APPROVE**
5. Termination Agreement Between the South Bay Regional Public Communications Authority and Mark43, Inc. Providing for Earlier Effective Termination Date for CAD Software and Professional Services Agreement  
**APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT**
6. Fiscal Year 2022-2023 Budget Performance Report for the period July 1, 2022 through June 30, 2023

**RECEIVE AND FILE**

7. Quarterly Cash Investment Report as of June 30, 2023

**RECEIVE AND FILE**

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

E. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

F. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Executive Director's Update on Staffing and Recruitment  
**RECEIVE AND FILE**

Executive Director Klun provided a Power Point presentation on Staffing and Recruitment. Our current staffing levels at 84%, 2 more operators hired in August and 1 conditional offer pending. Hired 14 operators since December.

2. Agreement Between the South Bay Regional Public Communications Authority and Cit Com for Public Safety Consulting Services Regarding Computer Aided Dispatch System  
**APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT**

Executive Director Klun provided an overview of the staff report of the agreement with Cit Com. The Executive Committee consider and approve the Agreement with Cit Com. On August 22, 2023, the Ad Hoc Committee on CAD System Consultant Selection met and considered four proposals from CAD consultants and decided to recommend that the Authority engage Cit Com. Finalist Recommendation Report to be submitted to the Executive Committee for review and consideration.

City Manager Moe expressed concerns that both police and fire have adequately equal input with the selection. Ultimately, it will come back to the Executive Committee for final. Also, mentioned the benefits of having an RFQ as a first step, so you can prequalify everybody before they spent the time and effort looking at proposals. Narrow the field to get the best selection. Recommended to do an RFQ.

City Manager Osorio expressed concerns of considering an RFQ for selection. Further discussion on the history of selection process of an RFP which resulted with Mark43 and now the current objective with getting the right selection meeting all the needs. Suggesting an RFQ to make the selection process smoother for the Authority.

Jennifer Petrusis explained circumstances under the Purchasing Policy with RCC. This falls under Professional & Software does not require formal bidding. Explained the scope of an RFP, make check-in points in the process for the Executive Committee to weigh in on vendors before that final selection by the consultant Cit Com. Ultimately, it's the Authorities decision to move forward with the vendor. Formal competitive bidding process in the policy, no one is precluded. The consultant is not making the decision for the Authority, they're presenting advice.

Director Klun discussed that the Agreement is not prepared to be signed and come back with a plan for an RFQ. Scope of services – add RFQ process.

City Manager Osorio motion: Vote to approve the contract with the stipulation of adding the RFQ process and not exceed \$60,000 total, with an addition to the scope of services.

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

G. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from June 20, 2023
2. Minutes from June 28, 2023
3. Minutes from July 18, 2023
4. Minutes from August 7, 2023

**MOTION:** Chief Lang moved to receive and file. The motion was seconded by Chief Johnson and passed 3-0.

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **USER COMMITTEE GENERAL BUSINESS**

1. Consider Using a 3<sup>rd</sup> Party Consultant to Evaluate the Resiliency of the Authority's Headquarters Facility and Protocols Relative to Power Outages and Disasters

**PROVIDE DIRECTION**

Chief Tomatani commented on a “fix” (viable solution) that was proposed between Hawthorne IT and RCC staff. Recommend for the consultant to look the solution that Hawthorne IT and RCC staff came up with. Direct consultants to focus on the RCC critical systems i.e. dispatch floor, transmission tower and server room. Single point of failures – transfer switch. A potential solution that doesn't involve the current infrastructure of this building, in terms of the next failure. Recommended to have a battery system in place would power for a max of 2 hours.

Chief Lang commented on multiple failures – protocols, contact duty crews, procedure of policies. Requested a copy after action report of this incident.

Director Klun commented on a presentation sent out to the group/update in our monthly meetings and continue to do refinements. Discussion of Energy Audit and proposals of getting whole-building battery backup system.

City Manager Norris recommended for the presentation sent out the User Committee via email.

**MOTION:** Chief Saffell, 3<sup>rd</sup> party Audit of the incident on July 9, 2023 and the response by RCC relative to the notifications, training of employees, policy and any equipment failure(s) or future needs of equipment.

**MOTION:** The motion was seconded by Chief Johnson and passed 4-0.

2. Consider Using PulsePoint Community Notification Software for Fire Department Dispatch Needs at South Bay Regional Public Communications Authority

**PROVIDE DIRECTION**

Chief Lang discussed the importance of PulsePoint. Director Klun commented on the technical feasibility interface with our CAD system and tiger PulsePoint to send out CPR request to the public (need further review from Hawthorne IT). Building a custom integration with our CAD system to supply RMS system information to First Due. Waiting on the interface portion and will provide on update. Community Activity – that portion is available now.

Director Klun was given direction to move forward. Sign-up \$10,000 & \$10,500 Annual Subscription (Community Status Activity) for all three fire departments paid by the Authority. Continue to look for a solution for the technical side automated trigger.

J. **EXECUTIVE DIRECTOR’S REPORT**

Director Klun provided an update from the Board of Directors. Organizational/JPA documents uploaded to the website. Currently, working the Matrix Consulting five-year CIP. Includes few meetings and exchange of data. City of Redondo Beach requested a site visit and tour of the Authority’s Operation. Discussion of Dispatch Time comparison over the last 4 quarters. 9-1-1 Call answering Performance for the last 4 quarters – numbers are outstanding currently at 99%. Technical Services – quarterly labor averages between 500-1,000 hours. Back-ordered police vehicles from COVID shutdown begin to arrive in FY23 Q3. Build-outs for the influx of vehicles have now been completed. Tropical Storm Hilary, slight increase in 9-1-1 calls during the storm. The 4th of July is historically a much busier event.

K. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

Chief Lang expressed concerns on the selection of a CAD system both fire and police adequately equal input.

L. **ADJOURNMENT**

The meeting was adjourned at 2:57PM.

**MINUTES OF A REGULAR JOINT MEETING  
OF THE EXECUTIVE COMMITTEE AND THE  
USER COMMITTEE**

**NOVEMBER 21, 2023**

**A. CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:06PM on Tuesday, November 21, 2023, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

**B. ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Bruce Moe, City of Manhattan Beach  
City Manager Clint Osorio, City of Gardena  
Chief Mike Saffell, Gardena Police Department  
Chief Gary Tomatani, Hawthorne Police Department  
Chief Rachel Johnson, Manhattan Beach Police Department  
Chief Mike Lang, Manhattan Beach Fire Department

Absent: Operations Manager Shannon Kauffman

Also Present: Executive Director M. Ross Klun  
Administrative Services Manager John Krok  
Staff Services Jennifer McReynolds  
Finance Manager Vanessa Alfaro  
Executive Assistant Cristina Manley  
RWG Law Jennifer Petrusis

**C. PUBLIC DISCUSSION**

None.

**D. EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Check Register – September 2023 and October 2023  
**RECEIVE AND FILE**
2. Fiscal Year 2023-2024 Budget Performance Report for the period July 1, 2023 through September 30, 2023  
**RECEIVE AND FILE**
3. Cash Investments Report for September 30, 2023  
**RECEIVE AND FILE**

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

**E. ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

F. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Executive Director's Update on Staffing and Recruitment  
**RECEIVE AND FILE**

Executive Director Klun provided a Power Point presentation on Staffing and Recruitment. We have one applicant in BG's and recruiting event next week at Hawthorne High School. Last couple of months of the end of the year are typically slow due to the holidays. Current staffing levels are at 86%. Upcoming Supervisor eligibility list – testing soon.

G. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from August 7, 2023  
**APPROVE**

**MOTION:** Chief Saffell moved to receive and file. The motion was seconded by Chief Johnson and passed 3-0.

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Klun provided a Power Point presentation on PulsePoint. PulsePoint met with our IT and changes were made to the CAD database to export the data PulsePoint. Next step is for PulsePoint provide us with some network connectivity. Our IT is developing a work-around to satisfy fire department requirements for FirstDue RMS as well as PulsePoint. The first step is for PulsePoint to get community awareness piece working.

CAD update – RFQ published October 17, 2023 and closed on November 20, 2023  
4 Respondents need to be validated: 1. CentralSquare 2. Hexagon 3. Tyler 4. Versaterra  
Important dates RFP – Release RFP 12.29.23, Receive Proposals 2.1.2024, Select Vendor 3.15.24, Contract Executed 6.1.2024 and Implementation 6.1.2025

After-Action Report – July 9<sup>th</sup> Power Outage

Authority was directed to have an outside party to conduct a review and produce an After-Action report (AAR) and recommendations. Matrix Consulting Group is doing the AAR, started on 10.30.23 and expected to be completed approximately 6 weeks. Data was request to Matrix and currently working on interviews with key players and stakeholders.

Working with an energy consultant for solar panels, EV Chargers (7 total), and whole building battery backup system providing 4 hours of continuous power. Working with the After-Action Report consultant on how this battery backup system fits into any recommendations they may have.

McIntyre-St. Clair LLC – Working on a 5-Year Strategic Plan. Conducting interviews with all stakeholders: Board of Directors, Executive Committee, RCC staff and all nine agencies Chiefs. Expected plan completion and Executive Committee presentation is March 2024.

Working with Matrix Consulting Group – 5 CIP  
Presentation to the Executive Committee in December or January.

Site Tours for the City of Redondo Beach for city officials in August.

2023 Q3 Incident entry time comparisons. Incident entry time starts when a 9-1-1 call is answered and ends when CAD incident is created. The 7-10 second increase in Q2 was attributed to an influx of new operators training at this position. As these Operators have continued to gain more experience, corresponding decrease in these times back to our baseline. 9-1-1 call answering times 10 seconds or less.

Technical services stats - 32 vehicles build last quarter. 100 plus public safety vehicles are current on order. Chief Saffell commented, knowing the anticipation of these current vehicles on order. Any thought of contracting some of that work to other vendors. Manager Krok commented on factors on dealing with outside vendors (consistency, quality etc.). RCC is well equipped to handle and currently working with the cities for these build outs. In the process of hiring an installer to help out with the demand.

J. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

City Manager commented on the out pouring support from all the neighboring cities for Officer Chad Swanson tragedy.

K. **ADJOURNMENT**

The meeting was adjourned at 2:28PM.



G-2



## Check Register FY 2023-24

November 2023

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
November 3, 2023	\$205,406.01	
November 10, 2023	\$154,750.86	
November 17, 2023	\$103,200.16	
November 24, 2023	<u>\$73,804.20</u>	
Accounts Payable Total	\$537,161.23	
<u>Payroll Checks Issued Date</u>		
November 3, 2023	\$256,679.61	includes eligible leave payouts per MOUs
November 17, 2023	<u>\$168,409.15</u>	
Payroll Total	\$425,088.76	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20665	11/1/2023	00696	GUARDIAN	533654-11	10/20/2023	GUARDIAN - DENTAL, VISION	7,401.38	7,401.38
20666	11/3/2023	00058	CALPERS	1000000173236	10/16/2023	HEALTH PREMIUMS FOR NO	62,902.86	62,902.86
20667	11/3/2023	00219	INTERNAL REVENUE SERVIC	Ben37166	11/3/2023	FEDERAL WITHHOLDING TA)	59,688.49	59,688.49
20668	11/3/2023	00223	EMPLOYMENT DEVEL DEPT	Ben37170	11/3/2023	STATE DISABILITY INSURAN	21,972.42	21,972.42
20669	11/3/2023	00222	STATE DISBURSEMENT UNIT	Ben37174	11/3/2023	SUPPORT: PAYMENT	184.62	184.62
20670	11/3/2023	00058	CALPERS	Ben37168	11/3/2023	PERS RETIREMENT: PAYMEN	36,446.74	36,446.74
20671	11/3/2023	00221	MISSIONSQUARE RETIREMEI	Ben37164	11/3/2023	DEFERRED COMPENSATION	14,479.63	14,479.63
57505	11/3/2023	00217	CALIFORNIA TEAMSTERS UN	Ben37162	11/3/2023	UNION DUES TEAMSTERS: P	1,425.00	1,425.00
57506	11/3/2023	00218	CWA LOCAL 9400	Ben37160	11/3/2023	UNION DUES CWA: PAYMEN	164.42	164.42
57507	11/3/2023	00996	WAGeworks INC., HEALTHE	Ben37172	11/3/2023	DEPENDENT CARE FSA: PAY	740.45	740.45
<b>Sub total for BANK OF THE WEST:</b>							<b>205,406.01</b>	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
2082	11/10/2023	00070	GAS COMPANY, THE	059 194 8982 2	10/31/2023	GAS SERVICE HQ/ 10/2/2023-	391.96	391.96
2083	11/10/2023	00069	SOUTHERN CALIFORNIA EDI	700610392752	11/2/2023	ELECT SERV GRANDVIEW/ 9	182.86	182.86
2084	11/10/2023	00031	EMPLOYMENT DEVELOPMENL	1953076816	10/30/2023	UNEMPLOYMENT INS / JUL-S	758.00	758.00
2085	11/10/2023	00651	FRONTIER	209-188-0077-04	11/1/2023	PHONE SERVICE 11/1/23 - 11/	336.37	336.37
57508	11/10/2023	00297	AT&T, ATT CALNET	000020772618	11/3/2023	PHONE SERVICE 10/03/23-11/	509.27	509.27
57509	11/10/2023	00064	AT&T, ATT PAYMENT CENTER	960 461-1623 55	11/1/2023	PHONE SERVICE 11/01/2023-	1,909.68	1,909.68
57510	11/10/2023	01004	BOB & MARC PLUMBING CO	S-110130	10/26/2023	CIP EXPENDITURES	2,485.00	
				S110249	10/31/2023	HQ MAINTENANCE ~	245.01	2,730.01
57511	11/10/2023	00014	CDW GOVERNMENT, INC.	MQ89689	10/23/2023	CDW-G BILLABLE PARTS	73.54	73.54
57512	11/10/2023	00017	CHEM PRO LABORATORY, IN	IN131261	11/1/2023	WATER TREATMENT SERVIC	91.50	91.50
57513	11/10/2023	00225	COMMLINE INC	0425707-IN	10/23/2023	COMMLINE INC BILLABLE PA	665.00	665.00
57514	11/10/2023	00879	CROWN CASTLE	1448156	11/1/2023	REDUNDANT INTERNET SER	1,100.00	1,100.00
57515	11/10/2023	00785	EXPERIAN	CD2407002217	10/27/2023	CREDIT CHCEK	32.48	32.48
57516	11/10/2023	00651	FRONTIER	7002Z665-S-233	11/5/2023	PHONE SERV 11/05/23-12/04/	261.88	
				7002Z664-S-233	11/5/2023	PHONE SERV 11/05/23-12/04/	381.00	642.88
57517	11/10/2023	00027	HAVIS INC.	SIN235166	10/26/2023	HAVIS INC BILLABLE PARTS	499.47	499.47
57518	11/10/2023	00799	LA UNIFORMS & TAILORING	18614	10/16/2023	UNIFORM SETS	338.03	
				18902	11/4/2023	UNIFORM SETS	104.63	442.66
57519	11/10/2023	00822	MATRIX CONSULTING GROUF	805-23	11/2/2023	DEVELOPMENT OF CIP POLI	9,950.00	9,950.00
57520	11/10/2023	00331	MITSUBISHI ELECTRIC INC	470760	11/1/2023	HQ MAINTENANCE - ELEVATO	786.90	786.90
57521	11/10/2023	01005	ORKIN PEST CONTROL	250830178	10/19/2023	HQ MAINTENANCE - PEST CO	91.99	
				250830179	10/19/2023	HQ MAINTENANCE - PEST CO	63.99	155.98
57522	11/10/2023	01022	RACE COMMUNICATIONS	RC1032517	11/1/2023	COMMUNICATION CONTRAC	1,198.50	1,198.50
57523	11/10/2023	00145	SETINA MFG CO INC	274370	10/30/2023	SETINA MANUFACTURING CO	10,315.87	
				273572	10/16/2023	SETINA MANUFACTURING CO	7,882.68	
				273751	10/19/2023	SETINA MANUFACTURING CO	2,850.25	21,048.80
57524	11/10/2023	00074	STAPLES INC.	8072201535	11/4/2023	STAPLES SUPPLIES - OFFICE	619.30	619.30
57525	11/10/2023	00171	VERIZON WIRELESS	9947567763	10/23/2023	DAC CHARGES HPD/ 9/24/23-	2,149.13	
				9947628542	10/23/2023	GPD DAC CHARGES/ 9/24/23-	1,871.22	
				9947169639	10/18/2023	CELL PH. CHGS: 9/19/23-10/1	411.38	
				9947552564	10/23/2023	MODEM SVC. MBPD/ 9/24/23-	78.02	4,509.75
57526	11/10/2023	01065	WAGeworks INC., HEALTHE	INV5780202	10/25/2023	WAGework ADMINISTRATION	92.00	92.00
57527	11/10/2023	00481	WAYTEK, INC.	3619070	10/26/2023	WAYTEK INC BILLABLE PART	1,912.11	1,912.11

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
57528	11/10/2023	00063	WHELEN ENGINEERING CO.,	381540	10/18/2023	WHELEN ENGINEERING CO	731.18
				383441	10/23/2023	WHELEN ENGINEERING CO	700.13
				381320	10/18/2023	WHELEN ENGINEERING CO	370.44
				382709	10/20/2023	WHELEN ENGINEERING CO	317.52
				386272	10/26/2023	WHELEN ENGINEERING CO	317.52
				382173	10/19/2023	WHELEN ENGINEERING CO	250.05
							2,686.84
57529	11/10/2023	00067	XCEL MECHANICAL SYSTEMS	22.906-01	10/26/2023	HQ FACILITY HVAC CHILLER	88,400.00
				2491	10/12/2023	FY 23-24 HQ MAINTENANCE	12,405.00
				2637	11/2/2023	FY 23-24 HQ MAINTENANCE	620.00
							101,425.00
<b>Sub total for BANK OF THE WEST:</b>							<b>154,750.86</b>

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
20672	11/17/2023	00219	INTERNAL REVENUE SERVIC Ben37230	11/17/2023	FEDERAL WITHHOLDING TA	33,998.25	33,998.25
20673	11/17/2023	00223	EMPLOYMENT DEVEL DEPT Ben37234	11/17/2023	STATE DISABILITY INSURAN	13,603.52	13,603.52
20674	11/17/2023	00222	STATE DISBURSEMENT UNIT Ben37238	11/17/2023	SUPPORT: PAYMENT	184.62	184.62
20675	11/17/2023	00058	CALPERS Ben37232	11/17/2023	PERS RETIREMENT: PAYMEN	36,109.14	36,109.14
20676	11/17/2023	00221	MISSIONSQUARE RETIREMEI Ben37228	11/17/2023	DEFERRED COMPENSATION	14,229.46	14,229.46
57530	11/17/2023	00002	AFLAC Ben37222	11/17/2023	AFLAC INSURANCE: PAYMEN	2,745.30	2,745.30
57531	11/17/2023	00217	CALIFORNIA TEAMSTERS UN Ben37226	11/17/2023	UNION DUES TEAMSTERS: P	1,425.00	1,425.00
57532	11/17/2023	00218	CWA LOCAL 9400 Ben37224	11/17/2023	UNION DUES CWA: PAYMEN	164.42	164.42
57533	11/17/2023	00996	WAGeworks INC., HEALTHE Ben37236	11/17/2023	DEPENDENT CARE FSA: PAY	740.45	740.45
<b>Sub total for BANK OF THE WEST:</b>							103,200.16

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
2086	11/24/2023	00069	SOUTHERN CALIFORNIA EDI:700440732476	11/9/2023	ELEC SERV / 10/2/23 - 11/6/23	13,040.85	
			700383926852	11/16/2023	ELEC SERV PUNTA/ 10/16/23	949.69	13,990.54
2087	11/24/2023	00621	FIRST BANKCARD				
		00141	POWERPHONE INC	81275	9/30/2023	EMD COURSES & ANNUAL M	528.00
		00203	GALLS, LLC	24974489	10/27/2023	UNIFORMS	384.12
		00458	NENA	200031742	10/12/2023	NENA ENP RECERTIFICATIOI	300.00
		01036	CLOUDFLARE INC.	CFUSA7986019	9/28/2023	SOFTWARE SERVICES	250.00
		01036	CLOUDFLARE INC.	CFUSA8231918	10/29/2023	SOFTWARE SERVICES	250.00
		00610	DIRECTV	065190124X231	10/5/2023	CABLE SERVICE	247.99
		01040	GOOGLE ADS	520-390-4641	10/1/2023	RECRUITMENT: ONLINE JOB	167.11
		01063	CONTINENTAL GOURMET	192140	10/11/2023	EMPLOYEE SERVICES: BI-AN	165.47
		00600	CHEVRON G&M #186	701432669	10/24/2023	FUEL - VAN	165.02
		00973	B & R AUTO UPHOLSTER	0001	10/18/2023	PARTS - BILLING	165.00
		00458	NENA	300074025	10/2/2023	NENA MEMBERSHIP RENEW,	147.00
		01096	SHIRTSPACE.COM	5879656	10/28/2023	UNIFORMS	128.55
		00915	GOLD GAS	2976	10/16/2023	FUEL - TRUCK	120.00
		00466	AMAZON MARKETPLACE	114-8297097-58	10/3/2023	HQ MAINTENANCE	118.16
		00714	DOOR DASH	100523	10/5/2023	EMPLOYEE SERVICES	103.54
		00035	HOME DEPOT CREDIT SERVI	0620 00053 521	10/18/2023	PARTS - BILLING	100.46
		00466	AMAZON MARKETPLACE	114-0669808-17	10/11/2023	GENERAL TECH SUPPLIES	99.21
		00761	BOX	INV11373767	10/26/2023	SOFTWARE SERVICES	90.00
		00466	AMAZON MARKETPLACE	112-2107886-15	10/4/2023	OFFICE SUPPLIES	89.71
		00199	GOVT FINANCE OFFICERS A	774742	10/23/2023	GFOA WEBINAR	85.00
		00466	AMAZON MARKETPLACE	114-9998592-89	9/28/2023	GENERAL TECH SUPPLIES	83.77
		01047	GODADDY	2773218848	10/23/2023	MONTHLY WEBSITE HOSTIN	75.99
		00087	LIEBERT CASSIDY & WHITMC	6640	10/10/2023	LCW 2024 PUBLIC AGENCY L	75.00
		00466	AMAZON MARKETPLACE	114-6123330-37	10/19/2023	PARTS - BILLING	56.33
		00466	AMAZON MARKETPLACE	114-5393109-32	10/3/2023	GENERAL TECH SUPPLIES	55.07
		00466	AMAZON MARKETPLACE	113-3914069-23	10/30/2023	OFFICE SUPPLIES	50.42
		00466	AMAZON MARKETPLACE	114-0813377-54	10/27/2023	GENERAL TECH SUPPLIES	48.48
		00466	AMAZON MARKETPLACE	113-6904011-66	10/6/2023	OFFICE SUPPLIES	46.72
		01046	PELTON	100123	10/1/2023	EMPLOYEE SERVICES	44.00
		00539	RALPHS GROCERY	310495	10/11/2023	EMPLOYEE SERVICES: BI-AN	42.43
		00466	AMAZON MARKETPLACE	114-1580603-43	10/12/2023	PARTS - BILLING	39.29

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
		00466	AMAZON MARKETPLACE	112-8781817-32	10/11/2023	OFFICE SUPPLIES	36.22
		00854	MANHATTAN POSTAL CENTE	I365013	10/17/2023	RECRUITMENT LIVESCAN	27.50
		00854	MANHATTAN POSTAL CENTE	I365048	10/18/2023	RECRUITMENT LIVESCAN	27.50
		01095	WESTIN BONAVENTURE HOT	607100	10/2/2023	CALPERS EDUCATIONAL FOI	27.00
		01056	CA PEACE OFFICERS ASSOC	399130	10/3/2023	CPOA COPSWEST 2023 EXP	25.00
		01056	CA PEACE OFFICERS ASSOC	399140	10/3/2023	CPOA COPSWEST 2023 EXP	25.00
		00933	EBAY	08-10612-63691	10/2/2023	GENERAL TECH SUPPLIES	24.93
		00466	AMAZON MARKETPLACE	114-9535629-60	10/11/2023	GENERAL TECH SUPPLIES	22.04
		00933	EBAY	08-10633-43227	10/8/2023	REIMBURSED - PERSONAL C	18.60
		00466	AMAZON MARKETPLACE	114-8193362-09	10/3/2023	GENERAL TECH SUPPLIES	17.63
		00826	LA TIMES	0001-0684-8535	10/9/2023	LA TIMES MONTHLY SUBSCR	15.96
2088	11/24/2023	00073	STATE BOARD OF EQUALIZA	012-655960	11/24/2023	SALES & USE TAX 2023 Q4 PI	553.00
57534	11/24/2023	00297	AT&T, ATT CALNET	000020818144	11/13/2023	PHONE SERV 10/13/23-11/12/	2,926.30
				000020822280	11/13/2023	PHONE SERV 10/13/23-11/12/	246.26
				000020825343	11/13/2023	PHONE SERV 10/13/23-11/12/	223.99
57535	11/24/2023	00014	CDW GOVERNMENT, INC.	MZ95031	11/9/2023	CDW-G BILLABLE PARTS	14,635.85
57536	11/24/2023	00439	CIT COM, INC.	2023-31	11/1/2023	CAD SYSTEM CONSULTANT	1,760.00
57537	11/24/2023	00225	COMMLINE INC	0426366-IN	10/30/2023	COMMLINE INC - SUPPORT	15,000.00
				0427687-IN	11/14/2023	COMMLINE INC BILLABLE PA	685.00
				0427426-IN	11/9/2023	COMMLINE INC BILLABLE PA	665.00
57538	11/24/2023	00101	CORDOVA, TONY	112423	11/24/2023	RETIREE MED PREM/DEC 20	599.00
57539	11/24/2023	00081	COSTON, SHANDER	112423	11/24/2023	RETIREE MED PREM/DEC 20	349.00
57540	11/24/2023	00226	DEPT OF INDUSTRIAL RELAT	E 2010846 MR	11/9/2023	ELEVATOR INSPECTION, FRC	225.00
				E 2010845 MR	11/9/2023	ELEVATOR INSPECTION, RE/	225.00
57541	11/24/2023	00103	DIVINITY, TANJI	112423	11/24/2023	RETIREE MED PREM/DEC 20	599.00
57542	11/24/2023	00106	FARLEY, SANDRA	112423	11/24/2023	RETIREE MED PREM/MAY-DE	2,792.00
57543	11/24/2023	00027	HAVIS INC.	SIN236902	11/9/2023	HAVIS INC BILLABLE PARTS	1,015.22
				SIN236785	11/8/2023	HAVIS INC BILLABLE PARTS	326.03
57544	11/24/2023	00577	JESSICA RAMOS	3046	11/10/2023	VEHICLE MAINTENANCE & D	105.00
57545	11/24/2023	00880	JUAN CARLOS CHAVEZ SANC	INV1079	11/13/2023	HQ MAINTENANCE - LANDSC	450.00
57546	11/24/2023	00442	LAWSON PRODUCTS, INC.	9310957678	9/28/2023	LAWSON PRODUCTS BILLAB	193.39
57547	11/24/2023	00113	MARTIN, LISA	112423	11/24/2023	RETIREE MED PREM/DEC 20	349.00
57548	11/24/2023	00121	PINELA, ELIZABETH	112423	11/24/2023	RETIREE MED PREM/DEC 20	599.00
57549	11/24/2023	00060	RIVERA, JOSE	112423	11/24/2023	RETIREE MED PREM/DEC 20	605.21
57550	11/24/2023	00824	SMART JANITORIAL, COMPLE	26528	10/31/2023	HQ MAINTENANCE - CLEANI	3,998.68



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Bank : bow BANK OF THE WEST (Continued)

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>Inv Date</u>	<u>Description</u>	<u>Amount Paid</u>	<u>Check Total</u>	
57551	11/24/2023	00074	STAPLES INC.	8072349692	11/18/2023	STAPLES SUPPLIES - OFFICE	235.61	235.61
57552	11/24/2023	00034	STEVENS, GARY	112423	11/24/2023	RETIREE MED PREM/DEC 20	599.00	599.00
57553	11/24/2023	00063	WHELEN ENGINEERING CO.,	392973	11/8/2023	WHELEN ENGINEERING CO I	4,747.93	
				389259	11/1/2023	WESTIN AUTOMATIVE BILLAI	515.97	5,263.90
<b>Sub total for BANK OF THE WEST:</b>								<b>73,804.20</b>



## Check Register FY 2023-24

December 2023

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
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December 1, 2023	\$174,472.70	
December 8, 2023	\$126,067.26	
December 15, 2023	\$102,804.21	
December 22, 2023	\$151,604.53	
December 29, 2023	\$104,292.10	
	<hr/>	
Accounts Payable Total	\$659,240.80	

<u>Payroll Checks Issued Date</u>		
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December 1, 2023	\$169,495.46	
December 15, 2023	\$171,820.38	
December 29, 2023	\$176,139.27	
	<hr/>	
Payroll Total	\$517,455.11	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20677	12/1/2023	00696	GUARDIAN	533654-12	11/20/2023	GUARDIAN - DENTAL, VISION	7,622.90	7,622.90
20678	12/1/2023	00058	CALPERS	1000000173534	11/14/2023	HEALTH PREMIUMS FOR DE	66,065.91	66,065.91
20679	12/1/2023	00219	INTERNAL REVENUE SERVIC	Ben37323	12/1/2023	FEDERAL WITHHOLDING TA	34,583.94	34,583.94
20680	12/1/2023	00223	EMPLOYMENT DEVEL DEPT	Ben37327	12/1/2023	STATE DISABILITY INSURAN	13,737.75	13,737.75
20681	12/1/2023	00222	STATE DISBURSEMENT UNIT	Ben37331	12/1/2023	SUPPORT: PAYMENT	184.62	184.62
20682	12/1/2023	00058	CALPERS	Ben37325	12/1/2023	PERS RETIREMENT: PAYMEN	35,735.27	35,735.27
20683	12/1/2023	00221	MISSIONSQUARE RETIREMEI	Ben37321	12/1/2023	DEFERRED COMPENSATION	14,212.44	14,212.44
57554	12/1/2023	00217	CALIFORNIA TEAMSTERS UN	Ben37319	12/1/2023	UNION DUES TEAMSTERS: P	1,425.00	1,425.00
57555	12/1/2023	00218	CWA LOCAL 9400	Ben37317	12/1/2023	UNION DUES CWA: PAYMEN	164.42	164.42
57556	12/1/2023	00996	WAGeworks INC., HEALTHE	Ben37329	12/1/2023	DEPENDENT CARE FSA: PAY	740.45	740.45
<b>Sub total for BANK OF THE WEST:</b>							<b>174,472.70</b>	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
2089	12/8/2023	00411	PITNEY BOWES	3106398785	11/29/2023	PITNEY BOWES EXPENSES	170.36	170.36
2090	12/8/2023	00411	PITNEY BOWES	1024326000	11/27/2023	OFFICE SUPPLIES	100.65	100.65
2091	12/8/2023	00070	GAS COMPANY, THE	059 194 8982 2	12/5/2023	GAS SERVICE HQ/ 10/31/2023	988.94	988.94
2092	12/8/2023	00651	FRONTIER	209-188-0077-04	12/1/2023	PHONE SERVICE 12/1/23 - 12	336.37	336.37
57557	12/8/2023	00867	& INVESTIGATION SERVICES	2023-12-005	12/5/2023	PRE-EMPLOYMENT POLYGR	250.00	250.00
57558	12/8/2023	00491	ACCELE ELECTRONICS, INC.	796248	11/16/2023	ACCELE ELECTRONICS BILL	579.18	579.18
57559	12/8/2023	00297	AT&T, ATT CALNET	000020919017	12/3/2023	PHONE SERVICE 11/03/23-12	509.27	509.27
57560	12/8/2023	00064	AT&T, ATT PAYMENT CENTER	960 461-1623 55	12/1/2023	PHONE SERVICE 12/01/2023-	2,030.52	2,030.52
57561	12/8/2023	00017	CHEM PRO LABORATORY, IN	133953	12/1/2023	WATER TREATMENT SERVIC	91.50	91.50
57562	12/8/2023	00879	CROWN CASTLE	1475343	12/1/2023	REDUNDANT INTERNET SER	1,100.00	1,100.00
57563	12/8/2023	00146	DARIO A. BANDERA	112823	11/28/2023	STRICTLY TINT BILLABLE PAI	620.00	620.00
57564	12/8/2023	01069	DOCUMENT CONSULTING SE	136092	9/1/2023	COLOR COPIER FOR PRINTII	216.07	
				136215	10/1/2023	COLOR COPIER FOR PRINTII	203.23	
				136358	11/1/2023	COLOR COPIER FOR PRINTII	200.71	620.01
57565	12/8/2023	01094	DONALD E. ST. CLAIR	RCC11282023	11/28/2023	STRATEGIC PLANNING PRO.	6,000.00	6,000.00
57566	12/8/2023	00785	EXPERIAN	CD2408002024	11/24/2023	CREDIT CHCEK	32.00	32.00
57567	12/8/2023	00008	FEDERAL SIGNAL CORP	8460543	11/14/2023	FEDERAL SIGNAL CORP BILL	11,224.66	11,224.66
57568	12/8/2023	00322	GEOSPATIAL TECHNOLOGIE	18833	12/1/2023	SOFTWARE MAINTENANCE S	13,173.00	13,173.00
57569	12/8/2023	00880	JUAN CARLOS CHAVEZ SANC	INV1091	11/21/2023	HQ MAINTENANCE - LANDSC	1,500.00	
				INV1099	11/30/2023	HQ MAINTENANCE - LANDSC	450.00	1,950.00
57570	12/8/2023	00047	MOTOROLA SOLUTIONS, INC	8281756910	11/14/2023	MOTOROLA SOLUTIONS INC	543.26	543.26
57571	12/8/2023	01022	RACE COMMUNICATIONS	RC1057278	12/1/2023	COMMUNICATION CONTRAC	1,198.50	1,198.50
57572	12/8/2023	00818	RICHARDS,WATSON & GERSI	244996	11/8/2023	FY 23-34 GENERAL COUNSEI	1,287.80	1,287.80
57573	12/8/2023	00145	SETINA MFG CO INC	275105	11/9/2023	SETINA MANUFACTURING CO	7,333.36	7,333.36
57574	12/8/2023	00044	TYLER TECHNOLOGIES, INC.	045-445610	12/1/2023	TYLER TECCHNOLOGIES AN	15,041.56	15,041.56
57575	12/8/2023	00171	VERIZON WIRELESS	9950005168	11/23/2023	DAC CHARGES HPD/ 10/24/23	2,149.09	
				9949989747	11/23/2023	MODEM SVC. MBPD/ 10/24/23	1,935.28	
				9950065750	11/23/2023	GPD DAC CHARGES/ 10/24/23	1,835.27	
				9949608463	11/18/2023	CELL PH. CHGS: 10/19/23-11/	411.38	6,331.02
57576	12/8/2023	01065	WAGeworks INC., HEALTHE	INV5893106	11/27/2023	WAGework ADMINISTRATION	92.00	92.00
57577	12/8/2023	00063	WHELEN ENGINEERING CO.,	392681	11/8/2023	WHELEN ENGINEERING CO I	314.87	
				398220	11/17/2023	WHELEN ENGINEERING CO I	163.17	478.04

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Bank : bow BANK OF THE WEST (Continued)

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>Inv Date</u>	<u>Description</u>	<u>Amount Paid</u>	<u>Check Total</u>	
57578	12/8/2023	00067	XCEL MECHANICAL SYSTEMS	22.906.02	11/28/2023	HQ FACILITY HVAC CHILLER	47,600.00	
			2678		11/21/2023	FY 23-24 HQ MAINTENANCE	4,428.26	
			2687		11/21/2023	FY 23-24 HQ MAINTENANCE	1,957.00	53,985.26
<b>Sub total for BANK OF THE WEST:</b>								126,067.26

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
20684	12/15/2023	00219	INTERNAL REVENUE SERVIC Ben37377	12/15/2023	FEDERAL WITHHOLDING TA	37,176.24	37,176.24
20685	12/15/2023	00223	EMPLOYMENT DEVEL DEPT Ben37381	12/15/2023	STATE DISABILITY INSURAN	14,282.74	14,282.74
20686	12/15/2023	00222	STATE DISBURSEMENT UNIT Ben37385	12/15/2023	SUPPORT: PAYMENT	184.62	184.62
20687	12/15/2023	00058	CALPERS Ben37379	12/15/2023	PERS RETIREMENT: PAYMEN	35,382.58	35,382.58
20688	12/15/2023	00221	MISSIONSQUARE RETIREMEI Ben37375	12/15/2023	DEFERRED COMPENSATION	13,448.16	13,448.16
57579	12/15/2023	00217	CALIFORNIA TEAMSTERS UN Ben37373	12/15/2023	UNION DUES TEAMSTERS: P	1,425.00	1,425.00
57580	12/15/2023	00218	CWA LOCAL 9400 Ben37371	12/15/2023	UNION DUES CWA: PAYMEN	164.42	164.42
57581	12/15/2023	00996	WAGeworks INC., HEALTHE Ben37383	12/15/2023	DEPENDENT CARE FSA: PAY	740.45	740.45
<b>Sub total for BANK OF THE WEST:</b>							102,804.21

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
295	12/22/2023	00621	FIRST BANKCARD					
		00714	DOOR DASH	111723	11/17/2023	EMPLOYEE SERVICES	55.11	55.11
2093	12/22/2023	00073	STATE BOARD OF EQUALIZA	012-655960	12/22/2023	SALES & USE TAX 2023 Q4 PI	2,213.00	2,213.00
2094	12/22/2023	00069	SOUTHERN CALIFORNIA EDI	700440732476	12/12/2023	ELEC SERV/ 10/31/23 - 12/7/2	12,527.80	
				700610392752	12/4/2023	ELECT SERV GRANDVIEW/ 1	243.37	12,771.17
2095	12/22/2023	00621	FIRST BANKCARD					
		00981	SAM'S CLUB	10115703341	11/9/2023	EQUIPMENT - REFRIGERATC	1,987.81	
		00228	COSTCO MEMBERSHIP	331900006354	11/15/2023	EWPS - EMPLOYEE WELLNE	808.30	
		00466	AMAZON MARKETPLACE	114-6008150-98	11/22/2023	PARTS - BILLING	627.85	
		01100	CALNENA INC	112023-0917-08	11/7/2023	2024 CALNENA CONFERENC	575.00	
		00141	POWERPHONE INC	81404	10/31/2023	EMD COURSES & ANNUAL M	516.00	
		00141	POWERPHONE INC	81405	10/31/2023	EMD COURSES & ANNUAL M	399.00	
		00141	POWERPHONE INC	81406	10/31/2023	EMD COURSES & ANNUAL M	399.00	
		00466	AMAZON MARKETPLACE	114-7449103-44	11/3/2023	GENERAL TECH SUPPLIES	361.60	
		01096	SHIRTSPACE.COM	5910697	11/8/2023	UNIFORMS - OPERATORS	348.99	
		01036	CLOUDFLARE INC.	CFUSA8476277	11/28/2023	SOFTWARE SERVICES	250.00	
		00610	DIRECTV	065190124X231	11/5/2023	CABLE SERVICE	247.99	
		00466	AMAZON MARKETPLACE	114-6773453-50	11/16/2023	OFFICE SUPPLIES	220.44	
		00466	AMAZON MARKETPLACE	114-7896678-35	11/14/2023	GENERAL TECH SUPPLIES	195.63	
		01040	GOOGLE ADS	520-390-4641	11/1/2023	RECRUITMENT - ONLINE JOE	167.20	
		00228	COSTCO MEMBERSHIP	111958571988	11/20/2023	ANNUAL COSTCO MEMBERS	120.00	
		00466	AMAZON MARKETPLACE	114-8876443-34	11/23/2023	HOLIDAY SUPPLIES	119.89	
		01101	HOBBY LOBBY	296889	11/20/2023	FURNITE & FIXTURES	119.36	
		01059	FLOWCODE	B4F8C820-0002	11/22/2023	SOFTWARE SERVICES	108.00	
		01102	HONEYBAKED	200545700	11/15/2023	EMPLOYEE SERVICES - THA	95.31	
		00761	BOX	INV11449334	11/26/2023	SOFTWARE SERVICES	90.00	
		00466	AMAZON MARKETPLACE	111-7606514-58	11/17/2023	OFFICE SUPPLIES	83.76	
		00466	AMAZON MARKETPLACE	114-3698652-34	11/15/2023	GENERAL TECH SUPPLIES	79.28	
		01047	GODADDY	2815232772	11/23/2023	MONTHLY WEBSITE HOSTIN	75.99	
		00466	AMAZON MARKETPLACE	114-7435862-28	11/14/2023	GENERAL TECH SUPPLIES	66.08	
		00466	AMAZON MARKETPLACE	114-1118579-44	11/14/2023	PARTS - BILLING	56.52	
		00714	DOOR DASH	111723-2	11/17/2023	PERSONAL CHARGE - REIME	54.87	
		00923	INSTACART	112023	11/20/2023	EMPLOYEE SERVICES - THA	52.16	
		01099	SYSTEMATIC ART INC	SA-568300	10/31/2023	OFFICE SUPPLIES	44.62	

Bank : bow BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
		01046 PELOTON	110123	11/1/2023	EMPLOYEE SERVICES	44.00	
		00466 AMAZON MARKETPLACE	114-1855460-210	11/15/2023	GENERAL TECH SUPPLIES	42.60	
		00466 AMAZON MARKETPLACE	114-5822742-90	11/1/2023	GENERAL TECH SUPPLIES	29.09	
		00466 AMAZON MARKETPLACE	114-6078630-03	11/3/2023	GENERAL TECH SUPPLIES	28.10	
		01086 FOOD 4 LESS	101836	11/9/2023	CONFERENCE ROOM SUPPL	17.60	
		00826 LA TIMES	0001-0684-8535	11/6/2023	LA TIMES MONTHLY SUBSCF	15.96	
		00467 LOWES BUSINESS	90540640	11/14/2023	GENERAL TECH SUPPLIES	3.84	8,451.84
57583	12/22/2023	00810 & ASSOCIATES, MAX PARKE	F9817	12/10/2023	WEBSITE MAINTENANCE SE	250.00	250.00
57584	12/22/2023	00867 & INVESTIGATION SERVICES	2023-12-011	12/11/2023	PRE-EMPLOYMENT POLYGR	500.00	
			2023-10-028	10/28/2023	PRE-EMPLOYMENT POLYGR	250.00	
			2023-12-007	12/7/2023	PRE-EMPLOYMENT POLYGR	250.00	
			2023-12-009	12/9/2023	PRE-EMPLOYMENT POLYGR	250.00	
			2023-12-015	12/15/2023	PRE-EMPLOYMENT POLYGR	250.00	
			2023-12-018	12/18/2023	PRE-EMPLOYMENT POLYGR	250.00	1,750.00
57585	12/22/2023	00297 AT&T, ATT CALNET	000020968427	12/13/2023	PHONE SERV 11/13/23-12/12/	2,904.93	
			000020972563	12/13/2023	PHONE SERV 11/13/23-12/12/	244.25	
			000020975626	12/13/2023	PHONE SERV 11/13/23-12/12/	213.94	3,363.12
57586	12/22/2023	00225 COMMLINE INC	0430109-IN	12/7/2023	COMMLINE INC - SUPPORT	80,000.00	
			0429285-IN	11/29/2023	COMMLINE INC - SUPPORT	15,000.00	95,000.00
57587	12/22/2023	00101 CORDOVA, TONY	122223	12/22/2023	RETIREE MED PREM/JAN 202	593.00	593.00
57588	12/22/2023	00081 COSTON, SHANDER	122223	12/22/2023	RETIREE MED PREM/JAN 202	343.00	343.00
57589	12/22/2023	00103 DIVINITY, TANJI	122223	12/22/2023	RETIREE MED PREM/JAN 202	593.00	593.00
57590	12/22/2023	00106 FARLEY, SANDRA	122223	12/22/2023	RETIREE MED PREM/JAN 202	343.00	343.00
57591	12/22/2023	00651 FRONTIER	7002Z664-S-233	12/5/2023	PHONE SERV 12/05/23-1/04/2	368.70	
			7002Z665-S-233	12/5/2023	PHONE SERV 12/05/23-1/04/2	253.43	622.13
57592	12/22/2023	00577 JESSICA RAMOS	3062	12/15/2023	VEHICLE MAINTENANCE & D	105.00	105.00
57593	12/22/2023	00113 MARTIN, LISA	1222223	12/22/2023	RETIREE MED PREM/JAN 202	343.00	343.00
57594	12/22/2023	00822 MATRIX CONSULTING GROU	F933-23	12/11/2023	MATRIX CONSULTATION PRC	6,200.00	
			805-23	12/8/2023	DEVELOPMENT OF CIP POLI	2,175.00	8,375.00
57595	12/22/2023	00331 MITSUBISHI ELECTRIC INC	473538	12/1/2023	HQ MAINTENANCE - ELEVATO	786.90	786.90
57596	12/22/2023	01005 ORKIN PEST CONTROL	253732133	12/5/2023	HQ MAINTENANCE - PEST CO	91.99	91.99
57597	12/22/2023	00121 PINELA, ELIZABETH	122223	12/22/2023	RETIREE MED PREM/JAN 202	593.00	593.00
57598	12/22/2023	01097 PULSEPOINT FOUNDATION	12563	11/30/2023	PULSEPOINT RESPOND IMPI	10,000.00	10,000.00
57599	12/22/2023	00580 PUN GROUP, LLP, THE	114256	12/1/2023	PROFESSIONAL AUDIT SERV	2,000.00	2,000.00
57600	12/22/2023	00818 RICHARDS,WATSON & GERSI	245602	12/13/2023	FY 23-34 GENERAL COUNSEI	1,260.40	1,260.40



Bank : bow BANK OF THE WEST (Continued)

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>Inv Date</u>	<u>Description</u>	<u>Amount Paid</u>	<u>Check Total</u>	
57601	12/22/2023	00060	RIVERA, JOSE	122223	12/22/2023	RETIREE MED PREM/JAN 202	747.95	747.95
57602	12/22/2023	00074	STAPLES INC.	8072564374	12/9/2023	STAPLES SUPPLIES - OFFICE	180.35	180.35
57603	12/22/2023	00034	STEVENS, GARY	122223	12/22/2023	RETIREE MED PREM/JAN 202	599.00	599.00
57604	12/22/2023	00171	VERIZON WIRELESS	9949989748	11/23/2023	MODEM SVC. MBPD/ 10/24/23	78.04	78.04
57605	12/22/2023	01098	ZECK, RHONDA	112323	11/23/2023	EMPLOYEE SERVICES: HOLI	95.53	95.53
<b>Sub total for BANK OF THE WEST:</b>							<b>151,604.53</b>	

Bank : bow BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
20689	12/29/2023	00219	INTERNAL REVENUE SERVIC Ben37466	12/29/2023	FEDERAL WITHHOLDING TA	39,182.46	39,182.46
20690	12/29/2023	00223	EMPLOYMENT DEVEL DEPT Ben37470	12/29/2023	STATE DISABILITY INSURAN	15,237.73	15,237.73
20691	12/29/2023	00222	STATE DISBURSEMENT UNIT Ben37474	12/29/2023	SUPPORT: PAYMENT	184.62	184.62
20692	12/29/2023	00058	CALPERS Ben37468	12/29/2023	PERS RETIREMENT: PAYMEN	35,352.61	35,352.61
20693	12/29/2023	00221	MISSIONSQUARE RETIREMEI Ben37464	12/29/2023	DEFERRED COMPENSATION	9,525.05	9,525.05
57606	12/29/2023	00002	AFLAC Ben37462	12/29/2023	AFLAC INSURANCE: PAYMEN	4,070.88	4,070.88
57607	12/29/2023	00996	WAGeworks INC., HEALTH Ben37472	12/29/2023	DEPENDENT CARE FSA: PAY	738.75	738.75
<b>Sub total for BANK OF THE WEST:</b>							<b>104,292.10</b>

G-3



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** January 16, 2024

**ITEM:** G-3

**TO:** Executive Committee

**FROM:** Ross Klun, Executive Director  
Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** FISCAL YEAR 2022-2023 ANNUAL FINANCIAL REPORT

**ATTACHMENTS:**

1. Audited Annual Financial Report for the Fiscal Year Ended June 30, 2023
2. Separate Auditor Letter dated December 7, 2023 regarding audit matters

### **RECOMMENDATION**

Staff recommends that the Executive Committee receive and file the attached audited Financial Statements and auditor communication for the Fiscal Year Ended June 30, 2023.

### **BACKGROUND**

The Authority's Budgetary Policy (Resolution No. 344) requires the Executive Director to present fiscal year-end audited financial statements to the Executive Committee at the Committee's regularly scheduled meeting in February of each year or sooner.

The Pun Group LLP, the Authority's independent auditing firm, has completed the audit of the Authority's fiscal activities for the fiscal year ended June 30, 2023. Accordingly, the Authority's Financial Statements for the period have been finalized.

### **DISCUSSION**

The auditors have rendered an unqualified opinion on the Authority's Financial Statements for the Fiscal Year Ended June 30, 2023. In their opinion, the financial statements present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2023 and 2022, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The Authority's net position was \$5,189,152 for the fiscal year ended June 30, 2023 reflecting an increase of approximately 32.29% since June 30, 2022. The change in net position is primarily the result of larger than expected number of vacancies from resignations and retirements.

Operating revenues for the Authority increased 5.39% to \$13,068,123 and operating expenses increased by 4.45% to \$11,191,979. The increase in operating revenues and expenses is primarily the result of an increase in assessments for budgeted increases for salaries and benefits, supplies, services, and equipment.

As illustrated in the Required Supplementary Information (RSI) of the financial statements, the Authority's net pension liability increased by \$5,514,141 to \$9,654,226 as of June 30, 2023 for the measurement date of June 30, 2022. The increase is due to a negative investment return of -7.5% reported by CalPERS; the expected rate of return was 7.15% resulting in a loss of 14.65%. The CalPERS discount rate (expected rate of return) was also lowered 25 basis points from 7.15% to 6.9%, which contributes to the increase in the net pension liability. Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year and any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of members. Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense/income systematically over time.

Additionally, as required under GASB Statement No. 75, the Net Other Postemployment Benefits (OPEB) liability is reported in the Statement of Net Position in the amount of \$2,245,600 using a June 30, 2022 measurement date, a decrease of \$64,280 from the previous fiscal year. The net OPEB liability is calculated by actuaries using estimates and actuarial techniques from an actuarial valuation as of June 30, 2021. Prior to FY22, the Authority funded OPEB obligations on a pay-as-you-go basis (i.e., as medical insurance premiums become due). In FY21, the Authority established an irrevocable trust with the California Employers' Retiree Benefit Trust (CERBT) and pre-funded \$250,000.

In FY22, the Board of Directors approved an ongoing funding policy to address pension liabilities and to prefund OPEB liabilities. Pursuant to Section 6, Excess Funds of Resolution 344, following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment (ADP) to the CalPERS pension Unfunded Actuarial Liability (UAL) until the plan reaches and maintains a 90% funded ratio, and towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for OPEB for a period of 20 years or until the trust is fully funded, whichever occurs first. Therefore, staff expects to remit the FY24 ADP and net trust contribution of \$202,556 and \$179,652, respectively, in January 2024. The available cash balance as of Fiscal Year 2022-2023 is \$4,774,528.

<b>Fund Balance Estimates</b>	
<b>Fund 10 - Enterprise Fund</b>	
<b>Cash Available as of June 30, 2023</b>	<b>\$ 6,508,629</b>
Operating and Capital Reserve	(1,351,893)
Pension and OPEB Funding	(382,208)
<b>Available Cash</b>	<b>\$ 4,774,528</b>
Gardena - 32.08%	1,531,669
Hawthorne - 45.07%	2,151,880
Manhattan Beach - 22.85%	1,090,980

In order to plan for funding upcoming technology and infrastructure costs in future years, staff recommends that the projected Fund 10 Enterprise Fund available cash balance be retained until the 5-Year CIP and other policies are developed.

There are two additional communications from the auditors which are normal for a governmental audit. The first is on the final two pages of the financial statements and is entitled "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards." In this report the auditors advised that they did not identify any deficiencies in internal control that they consider to be material weaknesses, nor did they identify any instances of noncompliance which would require their reporting upon.

The second letter from the Auditors calls to the Board of Directors' attention important aspects of the audit, such as the use of estimates, whether management consulted other independent auditors, and that there were no disagreements with the auditors.

In summary, the auditors have rendered an unqualified opinion on the Authority's Financial Statements, which indicate positive and clean results of the Authority's audit.

**FISCAL IMPACT**

None. The financial statements reflect the overall financial condition of the Authority, and the audit represents an objective evaluation of financial activities.

G-3

Attachment 1

# **South Bay Regional Public Communications Authority**

Hawthorne, California

## **Annual Financial Report**

*For the Years Ended June 30, 2023 and 2022*







**Board of Directors as of June 30, 2023**

<u>Name</u>	<u>City Represented</u>	<u>Title</u>
Rodney Tanaka	City of Gardena	Member
David Lesser	City of Manhattan Beach	Member
Alex Monteiro	City of Hawthorne	Member

*South Bay Regional Public Communications Authority  
4440 West Broadway  
Hawthorne, California 90250*

**South Bay Regional Public Communications Authority  
Annual Financial Report  
For the Years Ended June 30, 2023 and 2022**

**Table of Contents**

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	<u>Page</u>
Table of Contents.....	i
 <b><u>FINANCIAL SECTION</u></b>	
Independent Auditors' Report on the Audit of the Financial Statements .....	1
Management's Discussion and Analysis	
Required Supplementary Information (Unaudited) .....	3
<b>Basic Financial Statements:</b>	
Statements of Net Position .....	9
Statements of Revenues, Expenses and Changes in Net Position .....	10
Statements of Cash Flows.....	11
Notes to the Basic Financial Statements.....	15
<b>Required Supplementary Information (Unaudited):</b>	
Schedule of the Authority's Proportionate Share of the Net Pension Liability and Related Ratios .....	38
Schedule of Contributions – Pensions .....	40
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios.....	43
Schedule of Contributions – Other Postemployment Benefits .....	44
 <b><u>OTHER REPORT</u></b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	47

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## INDEPENDENT AUDITORS' REPORT



To the Board of Directors  
of the South Bay Regional Public Communications Authority  
Hawthorne, California

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the business-type activities of the South Bay Regional Public Communications Authority (the "Authority") as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority, as of June 30, 2023 and 2022, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Proportionate Share of the New Pension Liability and Related Ratios, Schedule of Contributions – Pensions, Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratio, and Schedule of Contributions – Other Postemployment Benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



**South Bay Regional Public Communications Authority**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Years Ended June 30, 2023 and 2022**

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The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the South Bay Regional Public Communications Authority (Authority) provides an introduction to the financial statements of the Authority for the years ended June 30, 2023 and 2022. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

**Financial Highlights**

- In 2023, the Authority's net position increased 32.29%, or \$1,266,476, due primarily to a larger than expected number of vacancies from resignations and retirements. In addition, the net pension liability increased approximately \$5.5 million due to a negative investment return of -7.5% reported by CalPERS; the expected rate of return was 7.15% resulting in a loss of 14.65%. The CalPERS discount rate (expected rate of return) was also lowered 25 basis points from 7.15% to 6.9%, which contributes to the increase in the net pension liability.
- In 2022, the Authority's net position increased 28.95%, or \$880,670, due primarily to a reduction of \$4 million in the net pension liability as a result of better than expected investment returns for the measurement date 6/30/21, and a reduction of \$1.1 million in the net other post-employment benefits (OPEB) liability as a result of the use of a higher discount rate of 5.5% due to the Authority's prefunding plan with the CERBT trust (the 2.21% municipal bond rate was used before the trust was established and funded).
- In 2023, the Authority's operating revenues increased 5.39% or \$668,232, as a result of an increase in assessments due to budgeted increases for salaries and benefits, and supplies, services, and equipment.
- In 2022, the Authority's operating revenues increased 15.55% or \$1,668,642, due to member cities' use of unrestricted balance in the Enterprise Fund to offset assessments in FY21. FY22 includes receipt of the full amount of assessments per the Cost Allocation Policy.
- In 2023, the Authority's operating expenses increased 4.45% or \$476,559, due primarily to budgeted increases for salaries and benefits, and supplies, services, and equipment.
- In 2022, the Authority's operating expenses decreased 8.12% or \$947,297 due primarily as a result of the GASB68 accounting entry for pension expense. FY22 experienced a GASB68 pension income entry of approximately half a million dollars.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements. The financial statements are comprised of two components: 1) financial statements and, 2) notes to financial statements.

This report also contains other supplementary information in addition to the financial statements themselves. The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Authority's assets, deferred outflow of resources, liabilities, and deferred inflow of resources with the difference between the four reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

**South Bay Regional Public Communications Authority  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Years Ended June 30, 2023 and 2022**

The *statement of revenues, expenses and changes in net position* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The *statement of cash flows* presents information showing the sources and uses of cash related to operating activities, noncapital financing activities, capital and related financing activities and investing activities. In addition, the statement provides information about significant non-cash investing, capital and financing activities.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Financial Analysis of the Authority**

One of the most important questions asked about the Authority's finances is, "*Is the Authority better off or worse off as a result of this year's activities?*" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the Authority in a way that helps answer this question.

These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the Authority's *net position* and changes in them. One can think of the Authority's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as a way to measure the Authority's financial health, or *financial position*. Over time, *increases or decreases* in the Authority's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions.

**Condensed Statements of Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
<b>Assets:</b>			
Current assets	\$ 7,070,554	\$ 5,896,252	\$ 5,514,814
Capital assets, net	7,227,097	7,959,624	8,688,104
<b>Total assets</b>	<u>14,297,651</u>	<u>13,855,876</u>	<u>15,100,031</u>
<b>Deferred outflows of resources</b>	<u>5,674,146</u>	<u>3,432,657</u>	<u>3,129,376</u>
<b>Liabilities:</b>			
Current liabilities	445,465	744,391	1,305,328
Noncurrent liabilities	12,214,131	6,843,868	12,000,032
<b>Total liabilities</b>	<u>12,659,596</u>	<u>7,588,259</u>	<u>13,305,360</u>
<b>Deferred inflows of resources</b>	<u>2,123,049</u>	<u>5,777,598</u>	<u>984,928</u>
<b>Net position:</b>			
Investment in capital assets	7,227,097	7,959,624	8,688,104
Unrestricted (Deficit)	<u>(2,037,945)</u>	<u>(4,036,948)</u>	<u>(5,646,098)</u>
<b>Total net position</b>	<u>\$ 5,189,152</u>	<u>\$ 3,922,676</u>	<u>\$ 3,042,006</u>

**South Bay Regional Public Communications Authority  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Years Ended June 30, 2023 and 2022**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources of the Authority exceeded liabilities and deferred inflows of resources by \$5,189,152 and \$3,922,676 as of June 30, 2023 and 2022.

By far the largest portion of the Authority's net position reflects its investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to its members and client agencies; consequently, these assets are *not* available for future spending.

At the end of fiscal year 2023 and 2022, the Authority shows a negative balance in its unrestricted net position of (\$2,037,945) and (\$4,036,948) respectively, which is due primarily to the net pension liability on the statement of net position of \$9,654,226 and \$4,140,085, and the net other post-employment benefits liability of \$2,245,600 and \$2,309,880, respectively. The Executive Committee in collaboration with the Board of Directors, have taken action to reserve aspects of the unrestricted net position for specified purposes such as operating reserves and future other post-employment benefits funding. During fiscal year 2021, the Board of Directors approved the establishment of a Section 115 Trust to prefund other post-employment benefits. The Board of Directors also approved an initial transfer to the trust of \$250,000 from reserves previously held in the Authority's Enterprise Fund for this purpose. In fiscal year 2022, the Board of Directors amended the Authority's budget policy to allow ongoing funding for both pension and OPEB unfunded liabilities.

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
<b>Revenues:</b>			
Operating revenues	\$ 13,068,123	\$ 12,399,891	\$ 10,725,579
Non-operating revenues	128,654	(64,598)	14,179
Total revenues	<u>13,196,777</u>	<u>12,335,293</u>	<u>10,739,758</u>
<b>Expenses:</b>			
Operating expenses	11,191,979	10,715,420	11,662,716
Depreciation expense	738,322	739,203	705,423
Total expenses	<u>11,930,301</u>	<u>11,454,623</u>	<u>12,368,139</u>
<b>Change in net position</b>	<u>1,266,476</u>	<u>880,670</u>	<u>(1,628,381)</u>
<b>Net Position:</b>			
Beginning of year	<u>3,922,676</u>	<u>3,042,006</u>	<u>4,670,387</u>
End of year	<u>\$ 5,189,152</u>	<u>\$ 3,922,676</u>	<u>\$ 3,042,006</u>

The Statement of Revenues, Expenses, and Changes in Net Position shows how the Authority's net position changed during the fiscal year. In the case of the Authority, net position increased by \$1,266,476 and \$880,670, respectively, as of June 30, 2023 and 2022.

In 2023, a closer examination of the sources of changes in net position reveals that the Authority's total revenues increased by \$861,484 due primarily to the collection of the full assessment amounts as calculated using the Cost Allocation Policy and an increase in investment earnings from funds deposited with the Local Agency Investment Fund (LAIF).



**South Bay Regional Public Communications Authority  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Years Ended June 30, 2023 and 2022**

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In 2022, a closer examination of the sources of changes in net position reveals that the Authority's total revenues increased by \$1,595,535 due primarily to the collection of the full assessment amounts as calculated using the Cost Allocation Policy. Member cities utilized surplus funds from the prior budget year in FY21 to reduce assessment amounts.

**Capital Asset Administration**

Capital assets balances consisted of the following:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Non-depreciable assets	\$ 495,554	\$ 495,554
Depreciable assets	15,716,640	15,711,962
Accumulated depreciation	(8,985,097)	(8,247,892)
Total capital assets, net	<b>\$ 7,227,097</b>	<b>\$ 7,959,624</b>

The capital asset activities of the Authority are summarized above and in Note 3 to the basic financial statements.

**Conditions Affecting Current Financial Position**

The operations of the Authority are funded by assessments from its members. Changes in the economy are unlikely to directly impact the Authority. Management is not aware of past, present or future conditions that would have a significant impact on the Authority's financial position and/or net position.

**Requests for Information**

This financial report is designed to provide the Authority's funding sources, customers, stakeholders and other interested parties with an overview of the Authority's financial operations and financial condition. Questions regarding the information included in this report, or requests for additional financial information should be addressed to South Bay Regional Public Communications Authority, 4440 West Broadway, Hawthorne, CA 90250.

## **BASIC FINANCIAL STATEMENTS**

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**South Bay Regional Public Communications Authority**  
**Statements of Net Position**  
**June 30, 2023 and 2022**

ASSETS	Business-Type Activities	
	2023	2022
<b>Current assets:</b>		
Cash and investments	\$ 6,508,629	\$ 5,310,354
Accounts receivable	336,571	416,870
Accrued interest receivable	56,519	10,656
Prepaid items	7,302	7,089
Materials and supplies inventory	161,533	151,283
<b>Total current assets</b>	<b>7,070,554</b>	<b>5,896,252</b>
<b>Noncurrent assets:</b>		
Capital assets, not being depreciated	495,554	495,554
Capital assets, being depreciated, net	6,731,543	7,464,070
<b>Total noncurrent assets</b>	<b>7,227,097</b>	<b>7,959,624</b>
<b>Total assets</b>	<b>14,297,651</b>	<b>13,855,876</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	4,575,421	2,303,161
Deferred outflows of resources related to other postemployment benefits	1,098,725	1,129,496
<b>Total deferred outflows of resources</b>	<b>5,674,146</b>	<b>3,432,657</b>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	198,864	114,015
Accrued salaries and benefits	141,833	499,075
Compensated absences, due within one year	104,768	131,301
<b>Total current liabilities</b>	<b>445,465</b>	<b>744,391</b>
<b>Noncurrent liabilities:</b>		
Compensated absences, due within more than one year	314,305	393,903
Net pension liability	9,654,226	4,140,085
Net other postemployment benefits liability	2,245,600	2,309,880
<b>Total noncurrent liabilities</b>	<b>12,214,131</b>	<b>6,843,868</b>
<b>Total liabilities</b>	<b>12,659,596</b>	<b>7,588,259</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	468,938	3,992,723
Deferred inflows of resources related to other postemployment benefits	1,654,111	1,784,875
<b>Total deferred inflows of resources</b>	<b>2,123,049</b>	<b>5,777,598</b>
<b>NET POSITION</b>		
Investment in capital assets	7,227,097	7,959,624
Unrestricted (deficit)	(2,037,945)	(4,036,948)
<b>Total net position</b>	<b>\$ 5,189,152</b>	<b>\$ 3,922,676</b>

**South Bay Regional Public Communications Authority**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Years Ended June 30, 2023 and 2022**

	<b>Business-Type Activities</b>	
	<b>2023</b>	<b>2022</b>
<b>Operating revenues:</b>		
Assessments revenues	\$ 12,000,654	\$ 11,371,863
Charges for services	995,521	922,917
Reimbursement revenue	56,412	76,804
Other revenue	15,536	28,307
<b>Total operating revenues</b>	<b>13,068,123</b>	<b>12,399,891</b>
<b>Operating expenses:</b>		
Administration	2,048,840	1,661,282
Operations	7,364,078	7,530,561
Technical services	1,738,357	1,504,027
Other projects	40,704	19,550
Depreciation expense	526,716	527,597
Depreciation expense - grant funded	211,606	211,606
<b>Total operating expenses</b>	<b>11,930,301</b>	<b>11,454,623</b>
<b>Operating Income</b>	<b>1,137,822</b>	<b>945,268</b>
<b>Nonoperating revenues and (loss):</b>		
Investment income (loss)	-	(59,172)
Interest received	128,654	20,953
Intergovernmental revenue	-	29,750
Loss on disposal of assets	-	(56,129)
<b>Total nonoperating revenues (loss)</b>	<b>128,654</b>	<b>(64,598)</b>
<b>Changes in net position</b>	<b>1,266,476</b>	<b>880,670</b>
<b>Net position:</b>		
Beginning of year	3,922,676	3,042,006
End of year	<b>\$ 5,189,152</b>	<b>\$ 3,922,676</b>

# South Bay Regional Public Communications Authority

## Statements of Cash Flows For the Years Ended June 30, 2023 and 2022

	<b>Business-Type Activities</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Cash receipts for dispatching services	\$ 13,148,422	\$ 11,986,204
Cash paid to vendors and suppliers for materials and services	(2,340,720)	(3,308,361)
Cash paid for salaries and wages	(9,686,423)	(8,269,730)
<b>Net cash provided by operating activities</b>	<b>1,121,279</b>	<b>408,113</b>
<b>Cash flows from non-capital financing activities:</b>		
Intergovernmental revenue	-	29,750
<b>Net cash provided by non-capital financing activities</b>	<b>-</b>	<b>29,750</b>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets	(5,795)	(66,852)
<b>Net cash used in capital and related financing activities</b>	<b>(5,795)</b>	<b>(66,852)</b>
<b>Cash flows from investing activities:</b>		
Interest received	82,791	(44,880)
<b>Net cash provided (used in) by investing activities</b>	<b>82,791</b>	<b>(44,880)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,198,275</b>	<b>326,131</b>
<b>Cash and cash equivalents:</b>		
Beginning of year	5,310,354	4,984,223
End of year	<b>\$ 6,508,629</b>	<b>\$ 5,310,354</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
<b>Operating loss</b>	\$ 1,137,822	\$ 945,268
<b>Adjustments to reconcile operating loss to net cash provided by operating activities:</b>		
Depreciation expense	738,322	739,203
<b>Operating assets, deferred outflows of resources, liabilities and deferred inflows of resources</b>		
(Increase) decrease in accounts receivable	80,299	11,222
(Increase) decrease prepaid items	(213)	6,286
(Increase) decrease materials and supplies inventory	(10,250)	(66,154)
(Increase) decrease pensions related deferred outflows of resources	(2,272,260)	(103,488)
(Increase) decrease OPEB related deferred outflows of resources	30,771	(199,793)
Increase (decrease) accounts payable and accrued expenses	84,849	(224,925)
Increase (decrease) accrued salaries and benefits	(357,242)	92,027
Increase (decrease) member deposits and unearned revenue	-	(424,909)
Increase (decrease) compensated absences	(106,131)	(12,518)
Increase (decrease) net pension liability	5,514,141	(3,985,009)
Increase (decrease) net other postemployment benefits liability	(64,280)	(1,161,767)
Increase (decrease) pensions related deferred inflows of resources	(3,523,785)	3,533,889
Increase (decrease) OPEB related deferred inflows of resources	(130,764)	1,258,781
<b>Total adjustments</b>	<b>(16,543)</b>	<b>(537,155)</b>
<b>Net cash provided by operating activities</b>	<b>\$ 1,121,279</b>	<b>\$ 408,113</b>

See accompanying Notes to the Basic Financial Statements.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS**



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**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies**

***Organization and Operations of the Reporting Entity***

The South Bay Regional Public Communications Authority (the “Authority”) was organized on October 14, 1975, under the provisions of the Joint Exercise of Powers Act of the Government Code of the State of California. The purpose of the Authority is to provide a forum for discussion, study, development, implementation, operations, and maintenance of a consolidated regional public safety services communications system. At the present time, the Authority serves the Cities of Gardena, Hawthorne, and Manhattan Beach in the aforementioned capacity. Additionally, the Authority serves the Cities of Culver City, Hermosa Beach and El Segundo in a non-member capacity.

***Basis of Presentation***

Financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board (“GASB”) commonly referred to as accounting principles generally accepted in the United States of America (“U.S. GAAP”). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The financial statements (i.e., the statement of net position, the statement of revenues, expenses and changes in net position, and statement of cash flows) report information on all of the activities of the primary government. The Authority accounts for its operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services on a continuing basis be financed or recovered primarily through member assessments and charges for services; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The financial statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period.

***Use of Estimates***

The preparation of the basic financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates and assumptions.

***Cash and Cash Equivalents***

For the purpose of the statements of cash flows, the Authority considers cash and cash equivalents as cash on hand, demands deposits and short-term investments with original maturity of three months or less from the date of acquisition.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***Investments***

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

***Accounts Receivable***

Management deems all accounts receivable as collectible at year-end. Accordingly, an allowance for doubtful accounts has not been reported. Historical experience indicates that uncollectible accounts receivable is immaterial.

***Prepaid Items***

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

***Materials and Supplies Inventory***

Materials and supplies inventory consist primarily of equipment for police vehicles such as sirens, modems, light fixtures and wire harness. Inventory is valued at cost using a weighted average cost method. Inventory items are charged to expense at the time that individual items are inventoried at year-end.

***Capital Assets***

Capital assets acquired and/or constructed are capitalized at historical cost. The Authority's policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated acquisition value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. Depreciation is recorded on a straight-line basis over the estimated useful life of the assets. The estimated useful life of buildings, automobiles, property, and equipment ranges from five to forty years.

***Deferred Outflows of Resources and Deferred Inflows of Resources***

The Statement of Net Position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

**Deferred Outflows of Resources** represent a consumption of net position that applies to future periods.

**Deferred Inflows of Resources** represent acquisition of net position that applies to future periods.

***Compensated Absences***

The Authority accounts for compensated absences (unpaid vacation, compensatory time and holiday leave) in accordance with U.S. GAAP. The Authority is required to accrue a liability, with a corresponding charge to current operations, for employees' right to receive compensation in future years when certain conditions are met. The Authority accrues unpaid vacation, compensatory time and holiday leave.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***Pensions***

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net pension of the Authority’s pension plans and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

For the year ended June 30, 2023

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

For the year ended June 30, 2022

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retirees) as of the beginning of the measurement period.

***Other Postemployment Benefits (“OPEB”)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s OPEB Plans and additions to/deductions from the OPEB Plans’ fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for OPEB reporting:

For the year ended June 30, 2023

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

For the year ended June 30, 2022

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

***Other Postemployment Benefits (“OPEB”) (Continued)***

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized using the straight-line method over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

***Net Position***

The financial statements utilize a net position presentation. Net position is categorized as follows:

**Investment in capital assets** – This component of net position consists of capital assets, net of accumulated depreciation.

**Restricted** – This component of net position consists of external constraints placed on net position imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There is no restricted net position reported by the Authority at June 30, 2023 and 2022.

**Unrestricted** – This component of net position is the amount of the assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in the determination of investments in capital assets or the restricted component of net position.

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

**Note 2 – Cash and Investments**

Cash and Cash Equivalent at June 30, 2023 and 2022 consisted of the following:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash on hand	\$ 500	\$ 500
Demand deposits with financial institutions	570,713	800,229
Investments	5,937,416	4,509,625
Total cash and investments	<u>\$ 6,508,629</u>	<u>\$ 5,310,354</u>

***Demand Deposits***

At June 30, 2023 and 2022, the carrying amount of the Authority’s demand deposits was \$570,713 and \$800,229, respectively, and the financial institution balance was \$735,068 and \$873,262, respectively. The differences of \$164,355 and \$73,033 at June 30, 2023 and 2022, respectively, represent outstanding checks, deposits-in-transit and/or other reconciling items.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 2 – Cash and Investments (Continued)**

***Demand Deposits (Continued)***

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC.

The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

***Authorized Investments and Investment Policy***

The Authority has adopted an investment policy directing the Fiscal Officer to deposit funds in financial institutions. Investments are to be made in the following areas:

U.S. Treasuries	No limit
U.S. Federal Agencies	33-1/3% maximum for each agency; 60% maximum overall
Non-Negotiable certificates of deposit	20% maximum
Negotiable certificates of deposit	20% maximum
LAIF	No limit
County Treasury Pool	50% maximum

***Custodial Credit Risk***

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's investment policy requires that collateral be held by an independent third party with whom the Authority has a current custodial agreement.

The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Authority's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the Authority's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2023, and 2022 none of the Authority's deposits and investments was exposed to custodial credit risk.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 2 – Cash and Cash Equivalent (Continued)**

***Investments***

The Authority’s investments as of June 30, 2023 and 2022 were as follows:

Investments	Credit Rating	Maturity - 12 Months or Less	
		June 30, 2023	June 30, 2022
California Local Agency Investment Fund (LAIF)	Not Rated	\$ 5,937,416	\$ 4,509,625

***Investment in California – Local Agency Investment Fund (LAIF)***

The Authority is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Authority’s investment in this pool is reported in the accompanying financial statements at amounts based upon the entity’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Further information about LAIF is available on the California State Controller’s website: [www.treasurer.ca.gov/pmia-laif/](http://www.treasurer.ca.gov/pmia-laif/)

The Authority’s investments with LAIF at June 30, 2023 and 2022, included a portion of the pool funds invested in structured notes and asset-backed securities:

**Structured Notes:** debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

**Asset-Backed Securities:** generally, mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

The Authority had \$5,937,416 and \$4,509,625 invested in LAIF. The LAIF had invested 2.78% and 1.88% of the LAIF pooled investment funds at June 30, 2023 and June 30, 2022, respectively, in structured notes and medium-term asset-backed securities. The investment in LAIF is reported at amortized cost, which approximates fair value.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 3 – Capital Assets**

A summary of changes in the capital assets for the year ended June 30, 2023 is as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2023</b>
<b>Nondepreciable assets:</b>				
Land and easements	\$ 495,554	\$ -	\$ -	\$ 495,554
<b>Total nondepreciable assets</b>	<b>495,554</b>	<b>-</b>	<b>-</b>	<b>495,554</b>
<b>Depreciable assets:</b>				
Buildings and improvements	6,389,356	-	-	6,389,356
Vehicles and equipment	9,322,606	5,795	(1,117)	9,327,284
<b>Total depreciable assets</b>	<b>15,711,962</b>	<b>5,795</b>	<b>(1,117)</b>	<b>15,716,640</b>
<b>Accumulated depreciation:</b>				
Buildings and improvements	(3,292,442)	(179,098)	-	(3,471,540)
Vehicles and equipment	(4,955,450)	(559,224)	1,117	(5,513,557)
<b>Total accumulated depreciation</b>	<b>(8,247,892)</b>	<b>(738,322)</b>	<b>1,117</b>	<b>(8,985,097)</b>
<b>Total depreciable assets, net</b>	<b>7,464,070</b>	<b>(732,527)</b>	<b>-</b>	<b>6,731,543</b>
<b>Total capital assets, net</b>	<b>\$ 7,959,624</b>	<b>\$ (732,527)</b>	<b>\$ -</b>	<b>\$ 7,227,097</b>

Depreciation Expense for the year ended June 30, 2023 was charged as follows:

Authority depreciable assets	\$ 526,716
UASI Grant and other equipments	211,606
	<u>\$ 738,322</u>

A summary of changes in the capital assets for the year ended June 30, 2022 is as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2022</b>
<b>Nondepreciable assets:</b>				
Land and easements	\$ 495,554	\$ -	\$ -	\$ 495,554
<b>Total nondepreciable assets</b>	<b>495,554</b>	<b>-</b>	<b>-</b>	<b>495,554</b>
<b>Depreciable assets:</b>				
Buildings and improvements	6,389,356	-	-	6,389,356
Vehicles and equipment	9,411,846	66,852	(156,092)	9,322,606
<b>Total depreciable assets</b>	<b>15,801,202</b>	<b>66,852</b>	<b>(156,092)</b>	<b>15,711,962</b>
<b>Accumulated depreciation:</b>				
Buildings and improvements	(3,113,344)	(179,098)	-	(3,292,442)
Vehicles and equipment	(4,495,308)	(560,105)	99,963	(4,955,450)
<b>Total accumulated depreciation</b>	<b>(7,608,652)</b>	<b>(739,203)</b>	<b>99,963</b>	<b>(8,247,892)</b>
<b>Total depreciable assets, net</b>	<b>8,192,550</b>	<b>(672,351)</b>	<b>(56,129)</b>	<b>7,464,070</b>
<b>Total capital assets, net</b>	<b>\$ 8,688,104</b>	<b>\$ (672,351)</b>	<b>\$ (56,129)</b>	<b>\$ 7,959,624</b>



**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 3 – Capital Assets (Continued)**

Depreciation Expense for the year ended June 30, 2022 was charged as follows:

Authority depreciable assets	\$ 527,597
UASI Grant and other equipments	<u>211,606</u>
	<u>\$ 739,203</u>

**Note 4 – Compensated Absences**

A summary of changes in compensated absences for the year ended June 30, 2023 and 2022 is as follows:

Year Ended	Beginning Balance	Additions	Deletions	Ending Balance	Due within One Year	Due in More Than One Year
June 30, 2023	\$ 525,204	\$ 584,351	\$ (690,482)	\$ 419,073	\$ 104,768	\$ 314,305
June 30, 2022	\$ 537,722	\$ 604,045	\$ (616,563)	\$ 525,204	\$ 131,301	\$ 393,903

**Note 5 – Deferred Compensation Savings Plan**

For the benefit of its employees, the Authority participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes. Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the Authority is in compliance with this legislation. Therefore, these assets are not the legal property of the Authority, and are not subject to claims of the Authority’s general creditors and are not included in the accompanying financial statements. Market value of all plan assets held in trust by Mission Square Retirement (formerly ICMA-RC Services, LLC) at June 30, 2023 and 2022 were \$6,668,198 and \$5,741,963, respectively.

**Note 6 – Defined Benefit Pension Plan**

***General Information about the Pension Plan***

*Plan Description*

The Authority contributes to the California Public Employees’ Retirement System (“CalPERS”), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2021 and 2020 Annual Actuarial Valuation Reports. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

***General Information about the Pension Plans (Continued)***

*Members Covered by Benefit Terms*

At June 30, 2021 and 2020, valuation dates, the following members were covered by the benefit terms:

<u>Plan Members</u>	<u>2021</u>			<u>2020</u>		
	<u>Classic Tier 1</u>	<u>Classic Tier 2</u>	<u>PEPRA Tier 3</u>	<u>Classic Tier 1</u>	<u>Classic Tier 2</u>	<u>PEPRA Tier 3</u>
Active members	32	6	29	38	6	23
Transferred and terminated members	77	11	25	75	11	24
Retired members and beneficiaries	78	2	-	74	1	-
<b>Total plan members</b>	<b>187</b>	<b>19</b>	<b>54</b>	<b>187</b>	<b>18</b>	<b>47</b>

*Benefits Provided*

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member becomes eligible for Service Retirement upon attainment of age 55 with at least five (5) years of credited service. Public Employee Pension Reform Act (PEPRA) miscellaneous members become eligible for service retirement upon attainment of age 62 with at least five (5) years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the highest average annual compensation during any consecutive 12-or 36-month period of employment. Retirement benefits for classic miscellaneous employees are calculated as 2% of the highest average annual compensation during any consecutive 12-or 36-month period of employment. Retirement benefits for PEPRA miscellaneous employees are calculated as 2% of the average final three (3) year compensation.

Participant is eligible for non-industrial disability retirement if they become disabled and has at least five (5) years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the Authority to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5% per year, plus a lump sum in the amount of one month salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 6 – Defined Benefit Pension Plan (Continued)**

***General Information about the Pension Plans (Continued)***

*Contributions*

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers will be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members.

For the measurement period ended June 30, 2022, the active member contribution rates for the Classic Miscellaneous Plan Tier 1, Tier 2 and the PEPRA Miscellaneous Plan are 7.00%, 7.00% and 6.75% of annual pay, respectively, and the employer contribution rates are 10.88%, 8.65% and 7.59% of annual payroll, respectively.

For the measurement period ended June 30, 2021, the active member contribution rates for the Classic Miscellaneous Plan Tier 1, Tier 2 and the PEPRA Miscellaneous Plan are 7.00%, 7.00% and 6.75% of annual pay, respectively, and the employer contribution rates are 11.031%, 8.794% and 7.732% of annual payroll, respectively.

***Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans***

*Actuarial Methods and Assumptions Used to Determine the Total Pension Liability*

The June 30, 2021 and 2020 valuations were rolled forward to determine the June 30, 2022 and 2021 total pension liabilities, based on the following actuarial methods and assumptions:

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions:	
Discount Rate	6.90% for June 30, 2022 and 7.15% for June 30, 2021
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table <sup>1</sup>	Derived using CalPERS’ Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

<sup>1</sup>The mortality table used in 2022 was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

The mortality table used in 2021 was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre- retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

Change of Assumption

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

In 2021, there were no changes of assumptions.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as followed:

Asset Class	2022	
	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>1, 2</sup>
Global equity - cap-weighted	30.00%	4.45%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

<sup>1</sup>An Expected inflation of 2.30% used for this period

<sup>2</sup>Figures are based on the 2021 Asset Liability Management study.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

Long-Term Expected Rate of Return (Continued)

Asset Class <sup>1</sup>	2021		
	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>2</sup>	Real Return Years 11+ <sup>3</sup>
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	100.00%		

<sup>1</sup>In the CalPERS' Annual Comprehensive Financial Report (ACFR), Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global

<sup>2</sup>An Expected inflation of 2.00% used for this period

<sup>3</sup>An Expected inflation of 2.92% used for this period

Discount Rate

The discount rates used to measure the 2022 and 2021 total pension liabilities were 6.90 and 7.15 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rates of 6.90% and 7.15% for the June 30, 2022 and 2021 Measurement Date, respectively, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90% and 6.15%) or 1 percentage-point higher (7.90% and 8.15%) than the current rate as follows:

Measurement Date	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
June 30, 2022	\$ 15,311,889	\$ 9,654,226	\$ 4,999,374
	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
June 30, 2021	\$ 9,157,603	\$ 4,140,085	\$ (7,826)

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

Pension Plan Fiduciary Net Position

Detail information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS’ website under Forms and Publications.

**Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)**

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period:

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Fiduciary Net Position</b>	<b>Net Pension Liability/(Asset)</b>
Balance as of June 30, 2021 (Valuation Date)	\$ 38,002,605	\$ 33,862,520	\$ 4,140,085
Balance as of June 30, 2022 (Measurement Date)	41,503,408	31,849,182	9,654,226
<b>Net Changes during 2021-2022</b>	<b>\$ 3,500,803</b>	<b>\$ (2,013,338)</b>	<b>\$ 5,514,141</b>
Balance as of June 30, 2020 (Valuation Date)	\$ 35,786,116	\$ 27,661,022	\$ 8,125,094
Balance as of June 30, 2021 (Measurement Date)	38,002,605	33,862,520	4,140,085
<b>Net Changes during 2020-2021</b>	<b>\$ 2,216,489</b>	<b>\$ 6,201,498</b>	<b>\$ (3,985,009)</b>

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool for the measurement periods ended June 30, 2022 and 2021.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2021 and 2020). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (“TPL”) determines the net pension liability (“NPL”) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2022 and 2021). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2022 and 2021 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement periods (2021-2022 and 2020-2021).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan’s share of the actuarial accrued liability. FNP is allocated based on the rate plan’s share of the market value assets.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

*Proportionate Share of Net Pension Liability and Pension Expense (Continued)*

(5) The plan’s TPL as of the measurement date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.

(6) The plan’s NPL at the measurement date is the difference between the TPL and FNP calculated in (5).

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

Deferred outflows of resources, deferred inflows of resources, and pension expense is allocate based on the Authority’s share of risk pool actuarial accrued liability at the beginning of measurement period.

The Authority’s proportionate share of the net pension liability was as follows:

2023		2022	
Measurement Date		Measurement Date	
June 30, 2021	0.076550%	June 30, 2020	0.074680%
June 30, 2022	0.083580%	June 30, 2021	0.076550%
Change - Increase		Change - Increase	
(Decrease)	0.007030%	(Decrease)	0.001870%

For the years ended June 30, 2023 and 2022, the Authority recognized pension expense in the amount of \$1,144,135 and \$872,586, respectively.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for risk pool for the measurement date ended June 30, 2022 and 2021 are both 3.7 years, which was obtained by dividing the total service years of 574,665 and 561,622 (the sum of remaining service lifetimes of the active employees) by 153,587 and 150,648 (the total number of participants: active, inactive, and retired), respectively.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 6 – Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

*Deferred Outflows of Resources and Deferred Inflows of Resources*

At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date	\$ 1,426,039	\$ -	\$ 1,427,194	\$ -
Adjustment due to differences in proportions	197,832	-	411,700	-
Differences between expected and actual experience	193,875	(129,850)	464,267	-
Differences between projected and actual earnings on pension plan investments	1,768,398	-	-	(3,614,075)
Difference between actual and proportionate share of employer contributions	-	(339,088)	-	(378,648)
Changes in assumptions	989,277	-	-	-
<b>Total Deferred Outflows/(Inflows) of Resources</b>	<b>\$ 4,575,421</b>	<b>\$ (468,938)</b>	<b>\$ 2,303,161</b>	<b>\$ (3,992,723)</b>

Deferred outflows of resources related to pensions resulting from Authority's contributions subsequent to the measurement date in the amount of \$1,426,039 and \$1,427,194 will be recognized as a reduction of the collective net pension liability in the years ending June 30, 2024 and 2023, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized to pension expense in future periods as follows:

Year Ending June 30,	Deferred Outflows / (Inflows) of Resources	Year Ending June 30,	Deferred Outflows / (Inflows) of Resources
	2023		2022
2024	\$ 692,860	2023	\$ (632,825)
2025	587,004	2024	(687,080)
2026	318,969	2025	(798,108)
2027	1,081,611	2026	(998,743)
2028	-	2027	-
Thereafter	-	Thereafter	-
<b>Total</b>	<b>\$ 2,680,444</b>	<b>Total</b>	<b>\$ (3,116,756)</b>



**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 7 – Other Postemployment Benefits (“OPEB”)**

***General Information about the OPEB Plan***

***Plan Description***

The Authority provides certain health insurance benefits, in accordance with a memorandum of understanding with its retired employees. Employees, who retire directly from the Authority under CalPERS at age 50 (52 for miscellaneous PEPRA) and have 5 years continuous service with the Authority, become eligible for benefits if they reach normal retirement age while working for the Authority. The benefits for various bargaining groups are as follows:

***Teamsters (Communications Operators):***

- 10 years of service – will get \$200/mo. from retirement date till age 65
- 15 years of service – will get \$300/mo. from retirement date till age 65
- 20 years of service – will get \$500/mo. from retirement date till age 65

Those who retired prior to July 1, 2008, shall continue to receive \$582 per month, until age 65 as long as the Authority remains in the Public Employees’ Medical & Hospital Care Act (PEMHCA); if no longer in PEMHCA, they will receive above depending on years of service. This includes the minimum contribution required under Government Code Section 22892(b) of PEMHCA, \$151 and \$149 per month for 2023 and 2022 calendar year, respectively.

***Teamsters (Communications Technicians):***

- 10 years of service – will get \$200/mo. from retirement date till age 65
- 15 years of service – will get \$300/mo. from retirement date till age 65
- 20 years of service – will get \$500/mo. from retirement date till age 65

Those who retire prior to July 1, 2008, shall continue to receive \$960 per month, until age 65 as long as the Authority remains in PEMHCA; if no longer in PEMHCA, they will receive above depending on years of service. This includes the minimum contribution required under Government Code Section 22892(b) of PEMHCA, \$151 and \$149 per month for 2023 and 2022 calendar year, respectively.

***CWA (Communications Supervisors):***

- 15 years of service – will get \$250/mo. from retirement date till age 65
- 20 years of service – will get \$450/mo. from retirement date till age 65

Those who retire from the Authority before July 1, 2014 receive \$750 per month, until age 65 as long as the Authority remains in PEMHCA, or the above if no longer in PEMHCA. This includes the minimum contribution required under Government Code Section 22892(b) of PEMHCA, \$151 and \$149 per month for 2023 and 2022 calendar year, respectively.

On January 1, 2022, additional Authority contributions to tier 2 CWA group with 15+ years of service were increased by \$50 monthly.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

***General Information about the OPEB Plan (Continued)***

*Plan Description (Continued)*

***Management & Confidential***

Management and confidential employees receive a benefit of \$40 times the number of years of service as a monthly benefit from their retirement date until the age of 65 (with minimum 10 years of service with the Authority). Those who retire before July 1, 2019 with a minimum 10 years of service shall receive \$960 per month until age 65 as long as the Authority remains in PEMHCA, or the above if no longer in PEMHCA. This includes the minimum contribution required under Government Code Section 22892(b) of PEMHCA, \$151 and \$149 per month for 2023 and 2022 calendar year, respectively.

***All Bargaining Groups***

The Authority currently contracts with CalPERS for employee group insurance health benefits. If the Authority should terminate its contract with CalPERS, all employees hired prior to April 1, 1986, who are ineligible to participate in Medicare and retire from a classification covered by the memorandum of understanding of each bargaining unit, are receiving retirement benefits from CalPERS and have a minimum of twenty (20) years of full-time employment, shall be entitled to enroll in an Authority-selected health benefit plan. The benefits provided in the health plan selected by the Authority shall equal or exceed the benefits the employee would have received had he/she been eligible to participate in Medicare. The Authority agrees to pay the cost of coverage for the plan in which the employee is enrolled. If the employee resides outside the State of California at the time of eligibility, the Authority agrees to pay the employee the cash equivalent of the cost of coverage for the plan in which the employee would have been enrolled had he/she lived in California. This benefit commences upon the employee reaching the age of 65, at which time he/she would have otherwise been eligible to participate in Medicare. The benefit shall cease if and when the employee becomes eligible to participate in Medicare or an equivalent Government health benefit program.

*Employees Covered by the Benefit Term*

The following employees were covered by the benefit terms at June 30, 2022 measurement date:

	2022
Active employees	57
Inactive employees or beneficiaries currently receiving benefits	17
Inactive employees entitled to, but not yet receiving benefits	8
Total	82

*Contributions*

The contribution requirements of plan members and the Authority is established and may be amended by the Authority’s Management or the Board of Directors. For the years ended June 30, 2023 and 2022, the average contribution rate was not applicable. Employees are not required to contribute to the plan.

***Net OPEB Liability***

The Authority’s 2023 and 2022 net OPEB liabilities were measured as of June 30, 2022 and 2021, respectively, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation as of June 30, 2021.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

***Net OPEB Liability (Continued)***

*Actuarial Assumptions*

Total OPEB liability in the June 30, 2022 measurement debt was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Actuarial Assumptions**

Actuarial Valuation Date	June 30, 2021																
Contribution Policy	Full actuarial determined contribution																
Discount Rate	5.75% at June 30, 2022 (pre-funded with CalPERS diversified trust Strategy 2) 5.50% at June 30, 2021 (pre-funded with CalPERS diversified trust Strategy 2)																
Expected Long-term Rate of Return on investment	Expected sufficient plan assets to pay all benefits from trust																
General Inflation	2.50% per annum																
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study																
Mortality Improvement	Mortality projected fully generation with Scale MP2020 for post-retirement mortality																
Salary Increases	Aggregate 2.75% annually																
Medical Trend	Merit - CalPERS 1997-2015 Experience Study Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare - 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years																
PEHCA Minimum Increase	4.00% annually																
Participation at Retirement	Actives: Based on the supplemental benefit amount																
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Suppl Benefit</th> <th style="text-align: center;">Participation</th> <th style="text-align: center;">Suppl Benefit</th> <th style="text-align: center;">Participation</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0-\$99</td> <td style="text-align: center;">50.0%</td> <td style="text-align: center;">\$300-\$499</td> <td style="text-align: center;">85.0%</td> </tr> <tr> <td style="text-align: center;">\$100-\$199</td> <td style="text-align: center;">75.0%</td> <td style="text-align: center;">\$500+</td> <td style="text-align: center;">90.0%</td> </tr> <tr> <td style="text-align: center;">\$200-\$299</td> <td style="text-align: center;">80.0%</td> <td></td> <td></td> </tr> </tbody> </table>	Suppl Benefit	Participation	Suppl Benefit	Participation	\$0-\$99	50.0%	\$300-\$499	85.0%	\$100-\$199	75.0%	\$500+	90.0%	\$200-\$299	80.0%		
Suppl Benefit	Participation	Suppl Benefit	Participation														
\$0-\$99	50.0%	\$300-\$499	85.0%														
\$100-\$199	75.0%	\$500+	90.0%														
\$200-\$299	80.0%																
Spouse Coverage	Retirees: Based on current coverage Actives: current election if covered, 20% if waived Retirees: current election																

*Discount Rate*

The discount rates of 5.75% and 5.50% were used during measurement periods June 30, 2022 and 2021, respectively. The Authority assumed long-term inflation assumption of 2.50% to set the expected long-term net rate of return. The long-term expected real return are presented as geometric means.

*Change of Assumptions*

In 2022, discounted rate was updated based on new asset allocation.

The changes in assumptions in 2021 are due to the following:

- Discount rate was changed to expected long term rate of return on assets to reflect Authority's prefunding
- Decreased inflation, medical and PEMHCA minimum trends, and salary increases
- Medicare Advantage Plans age-related claims removed
- Mortality improvement scale was updated to Scale MP-2020

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

***Change in Total OPEB Liability***

	<b>2023</b>		
	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Balance at June 30, 2021	\$ 2,560,062	\$ 250,182	\$ 2,309,880
Changes Recognized for the Measurement Period:			
Service Cost	99,215	-	99,215
Interest on the total OPEB liability	143,513	-	143,513
Change of benefit terms	7,172	-	7,172
Difference between expected and actual experience	-	-	-
Changes in assumptions	(74,924)	-	(74,924)
Contribution from the employer	-	292,863	(292,863)
Net investment income	-	(53,224)	53,224
Administrative expenses	-	(383)	383
Benefit payments	(99,884)	(99,884)	-
Net changes during measurement 2021-22	75,092	139,372	(64,280)
Balance at June 30, 2022 (measurement date)	\$ 2,635,154	\$ 389,554	\$ 2,245,600
	<b>2022</b>		
	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Balance at June 30, 2020	\$ 3,471,647	\$ -	\$ 3,471,647
Changes Recognized for the Measurement Period:			
Service Cost	218,323	-	218,323
Interest on the total OPEB liability	80,605	-	80,605
Change of benefit terms	-	-	-
Difference between expected and actual experience	332,432	-	332,432
Changes in assumptions	(1,457,595)	-	(1,457,595)
Contribution from the employer	-	335,588	(335,588)
Net investment income	-	186	(186)
Administrative expenses	-	(242)	242
Benefit payments	(85,350)	(85,350)	-
Net changes during measurement 2020-2021	(911,585)	250,182	(1,161,767)
Balance at June 30, 2021 (measurement date)	\$ 2,560,062	\$ 250,182	\$ 2,309,880

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

***Change in Total OPEB Liability (Continued)***

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following presents the total OPEB liability of the Authority, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement periods ended June 30, 2022 and June 30, 2021:

Measurement Date	Plan's Total OPEB Liability		
	Discount Rate -1% (4.75%)	Current Discount Rate (5.75%)	Discount Rate +1% (6.75%)
June 30, 2022	\$ 2,565,928	\$ 2,245,600	\$ 1,975,471
Measurement Date	Discount Rate -1% (4.50%)	Current Discount Rate (5.50%)	Discount Rate +1% (6.50%)
June 30, 2021	\$ 2,629,148	\$ 2,309,880	\$ 2,041,310

*Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates*

The following presents the total OPEB liability of the Authority, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates, for the measurement periods ended June 30, 2022 and June 30, 2021:

Measurement Date	Plan's Total OPEB Liability		
	Healthcare Cost Trend Rate -1%	Current Healthcare Cost Trend Rate	Healthcare Cost Trend Rate +1%
June 30, 2022	\$ 1,951,471	\$ 2,245,600	\$ 2,611,788
June 30, 2021	\$ 2,033,595	\$ 2,309,880	\$ 2,653,515

***OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB***

For the years ended June 30, 2023 and June 30, 2022, the Authority recognize OPEB expense in the amounts of \$130,951 and \$190,084, respectively. At June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 295,224	\$ -	\$ 292,862	\$ -
Changes in assumptions	474,147	(1,460,291)	534,131	(1,563,367)
Differences between expected and actual experience	271,990	(193,820)	302,211	(221,508)
Net Difference between projected and actual earnings on plan investments	57,364	-	291	-
Total	\$ 1,098,725	\$ (1,654,111)	\$ 1,129,495	\$ (1,784,875)

The Expected Average remaining service Lifetime (“EARSL”) is calculated by dividing the total future service years by total number of covered participants in the plan. The EARSL for the plan at the beginning of measurement period June 30, 2021 is 10.9 years, which were obtained by dividing the total services years of 918 by 84 covered participants.

July 1, 2020 was not a valuation date and no census data was available to the actuary as of that date. Therefore, the average of the expected remaining service lives was estimated at 11.0 years.

**South Bay Regional Public Communications Authority**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

***OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)***

Deferred outflows of resources related to OPEB resulting from Authority’s contributions subsequent to the measurement date in the amounts of \$295,224 and \$292,862 will be recognized as a reduction of the net OPEB liability in the years ending June 30, 2024 and 2023, respectively.

Year Ending June 30,	Deferred Outflows/ (Inflows) of Resources 2023	Year Ending June 30,	Deferred Outflows/ (Inflows) of Resources 2022
2024	\$ (101,123)	2023	\$ (108,536)
2025	(101,123)	2024	(108,536)
2026	(101,124)	2025	(108,536)
2027	(101,198)	2026	(108,537)
2028	(112,665)	2027	(108,609)
Thereafter	(333,377)	Thereafter	(405,488)
Total	\$ (850,610)	Total	\$ (948,242)

**Note 8 – Conduit Debt**

The Authority issued three series of bonds to finance the costs of acquisition, construction, installation, and equipping of main facility with emergency communications equipment (the “Project”) in January 2001 on behalf of the Cities of Gardena, Hawthorne, and Manhattan Beach. The 2001 Revenue Bonds Series A in the amount of \$3,060,000 (Gardena), the 2001 Variable Rate Demand Revenue Bonds Series B in the amount of \$4,300,000 (Hawthorne), and the 2001 Variable Rate Demand Revenue Bonds Series C in the amount of \$2,180,000 (Manhattan Beach), are payable from the revenues derived primarily from project financing and operating revenues by the Cities of Gardena, Hawthorne, and Manhattan Beach, respectively.

In 2007, the Authority issued the 2007 Refunding Revenue Bonds, Series A in the amount of \$2,800,000 to fully refund the 2001 Revenue Bond Series A on behalf of the City of Gardena. The outstanding balances of the 2007 Refunding Revenue Bonds Series A were \$1,195,000 and \$1,315,000 as of June 30, 2023 and 2022, respectively. The 2001 Revenue Bonds, Series B, were fully refunded by the City of Hawthorne’s private placement in 2016. The 2001 Revenue Bonds, Series C, were paid off by the City of Manhattan Beach.

The bonds were not reflected as the Authority’s long-term debt because the debt is solely payable from and secured by specific revenue sources described in the official statement. Neither the faith and credit of the Authority, nor the taxing power of the State of California or any political subdivision thereof, is pledged for payment of these bonds. Accordingly, since this debt does not constitute an obligation of the Authority, it is not included in the accompanying basic financial statements.

**Note 9 – Commitments and Contingencies**

***Litigation***

In the ordinary course of operations, the Authority is subject to claims and litigation from outside parties. In the opinion of the Authority’s management, there is no pending litigation which is likely to have a material adverse effect on the financial position of the Authority.

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**REQUIRED SUPPLEMENTARY INFORMATION**



**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the Authority's Proportionate Share of the Net Pension Liability and Related Ratios**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement date	<u>June 30, 2014<sup>1</sup></u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
Authority's proportion of the net pension liability	<u>0.059500%</u>	<u>0.059500%</u>	<u>0.064949%</u>	<u>0.067677%</u>	<u>0.068180%</u>
Authority's proportionate share of the net pension liability	<u>\$ 4,084,007</u>	<u>\$ 4,084,007</u>	<u>\$ 5,620,134</u>	<u>\$ 6,711,657</u>	<u>\$ 6,570,432</u>
Authority's covered payroll	<u>\$ 4,485,167</u>	<u>\$ 4,665,871</u>	<u>\$ 4,773,439</u>	<u>\$ 5,184,067</u>	<u>\$ 5,270,919</u>
Authority's proportionate share of the net pension liability as a percentage of covered payroll	<u>91.06%</u>	<u>87.53%</u>	<u>117.74%</u>	<u>129.47%</u>	<u>124.65%</u>
Plan's fiduciary net position as a percentage of the plan's total pension liability	<u>79.82%</u>	<u>78.40%</u>	<u>74.06%</u>	<u>73.31%</u>	<u>75.26%</u>

<sup>1</sup> Historical information is presented only for measurement periods for after GASB 68 implementation in 2013-14.

**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the Authority's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement date	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>
Authority's proportion of the net pension liability	<u>0.071590%</u>	<u>0.074680%</u>	<u>0.076550%</u>	<u>0.083580%</u>
Authority's proportionate share of the net pension liability	<u>\$ 7,335,396</u>	<u>\$ 8,125,094</u>	<u>\$ 4,140,085</u>	<u>\$ 9,654,226</u>
Authority's covered payroll	<u>\$ 5,408,034</u>	<u>\$ 5,838,063</u>	<u>\$ 6,005,530</u>	<u>\$ 5,834,801</u>
Authority's proportionate share of the net pension liability as a percentage of covered payroll	<u>135.64%</u>	<u>139.17%</u>	<u>68.94%</u>	<u>165.46%</u>
Plan's fiduciary net position as a percentage of the plan's total pension liability	<u>75.26%</u>	<u>75.10%</u>	<u>88.29%</u>	<u>76.68%</u>

**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Fiscal Year	<u>2013-14<sup>1</sup></u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
Actuarially determined contribution	\$ 480,107	\$ 507,694	\$ 553,317	\$ 634,790	\$ 692,687
Contribution in relation to the actuarially determined contribution	<u>(480,107)</u>	<u>(507,694)</u>	<u>(553,317)</u>	<u>(634,790)</u>	<u>(692,687)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	<u>\$ 4,485,167</u>	<u>\$ 4,665,871</u>	<u>\$ 4,773,439</u>	<u>\$ 5,184,067</u>	<u>\$ 5,270,919</u>
Contributions as a percentage of covered payroll	<u>10.70%</u>	<u>10.88%</u>	<u>11.59%</u>	<u>12.25%</u>	<u>13.14%</u>

<sup>1</sup> Historical information is presented only for measurement periods after GASB 68 implementation in 2013-14.

**Notes to the Schedule:**

Change in Benefit Terms: There were no changes to benefit terms.

Change of Assumptions: In 2022, the discount rate was reduced from 7.15% to 6.90%. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. In 2019 to 2021, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense. In 2014, amounts reported were based on the 7.5 percent discount rate.

**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Fiscal Year	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-2023</u>
Actuarially determined contribution	\$ 807,058	\$ 957,115	\$ 1,078,691	\$ 1,145,330	\$ 1,164,476
Contribution in relation to the actuarially determined contribution	<u>(807,095)</u>	<u>(957,115)</u>	<u>(1,078,691)</u>	<u>(1,427,194)</u>	<u>(1,426,039)</u>
Contribution deficiency (excess)	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (281,864)</u>	<u>\$ (261,563)</u>
Authority's covered payroll	<u>\$ 5,408,034</u>	<u>\$ 5,838,063</u>	<u>\$ 6,005,530</u>	<u>\$ 5,834,801</u>	<u>\$ 5,250,822</u>
Contributions as a percentage of covered payroll	<u>14.92%</u>	<u>16.39%</u>	<u>17.96%</u>	<u>24.46%</u>	<u>27.16%</u>

**Notes to the Schedule:**

Change in Benefit Terms: There were no changes to benefit terms.

Change of Assumptions: In 2022, the discount rate was reduced from 7.15% to 6.90%. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. In 2019 to 2021, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense. In 2014, amounts reported were based on the 7.5 percent discount rate.

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**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios**  
**For the Years Ended June 30, 2023 and 2022**

Measurement Period	Last Ten Fiscal Years					
	2016-2017 <sup>1</sup>	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
<b>Total OPEB Liability</b>						
Service Cost	\$ 163,778	\$ 143,129	\$ 138,260	\$ 156,598	\$ 218,323	\$ 99,215
Interest on the total OPEB liability	88,136	103,266	111,541	100,283	80,605	143,513
Changes in benefit terms	-	-	5,100	-	-	7,172
Difference between expected and actual experience	-	-	(304,572)	-	332,432	-
Changes in assumptions	(307,074)	(113,847)	117,179	547,573	(1,457,595)	(74,924)
Contribution from the employer	-	-	-	-	-	-
Benefit payments	(126,836)	(137,416)	(122,659)	(82,889)	(85,350)	(99,884)
<b>Net changes in total OPEB liability</b>	<b>(181,996)</b>	<b>(4,868)</b>	<b>(55,151)</b>	<b>721,565</b>	<b>(911,585)</b>	<b>75,092</b>
<b>Total OPEB liability, beginning</b>	<b>2,992,097</b>	<b>2,810,101</b>	<b>2,805,233</b>	<b>2,750,082</b>	<b>3,471,647</b>	<b>2,560,062</b>
<b>Total OPEB liability, ending (a)</b>	<b>\$ 2,810,101</b>	<b>\$ 2,805,233</b>	<b>\$ 2,750,082</b>	<b>\$ 3,471,647</b>	<b>\$ 2,560,062</b>	<b>\$ 2,635,154</b>
<b>Plan fiduciary net position:</b>						
Employer contribution	\$ 126,836	\$ 137,416	\$ 122,659	\$ 83,145	\$ 335,588	\$ 292,863
Employee contributions	-	-	-	-	-	-
Net investment income	-	-	-	-	186	(53,224)
Administrative expenses	-	-	(232)	(256)	(242)	(383)
Benefit payments	(126,836)	(137,416)	(122,659)	(82,889)	(85,350)	(99,884)
Other	-	-	-	-	-	-
<b>Net changes in fiduciary net position</b>	<b>-</b>	<b>-</b>	<b>(232)</b>	<b>-</b>	<b>250,182</b>	<b>139,372</b>
<b>Plan fiduciary net position, beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,182</b>
<b>Plan fiduciary net position, ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,182</b>	<b>\$ 389,554</b>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<b>\$ 2,810,101</b>	<b>\$ 2,805,233</b>	<b>\$ 2,750,082</b>	<b>\$ 3,471,647</b>	<b>\$ 2,309,880</b>	<b>\$ 2,245,600</b>
<b>Plan's fiduciary net position as a percentage of the total OPEB liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.77%</b>	<b>14.80%</b>
<b>Covered employee payroll</b>	<b>\$ 5,996,321</b>	<b>\$ 7,010,558</b>	<b>\$ 6,722,179</b>	<b>\$ 7,264,866</b>	<b>\$ 6,322,182</b>	<b>\$ 6,425,816</b>
<b>Plan Net OPEB liability as a percentage of covered employee payroll</b>	<b>46.86%</b>	<b>40.01%</b>	<b>40.91%</b>	<b>47.79%</b>	<b>36.54%</b>	<b>34.90%</b>

<sup>1</sup>Historical information is presented only for measurement periods after GASB 75 implementation in 2016-2017.

**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – Other Postemployment Benefits**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**Other Postemployment Benefits ("OPEB")**

Fiscal year	2016-17 <sup>1</sup>	2017-18	2018-19	2019-20
Actuarially determined contribution	\$ 126,836	\$ 140,536	\$ 122,891	\$ 83,145
Contribution in relation to the actuarially determined contribution	(126,836)	(140,536)	(122,891)	(83,145)
Contribution deficiency / (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered employee payroll	\$ 5,996,321	\$ 7,010,558	\$ 6,722,179	\$ 7,264,866
Contributions as a percentage of covered employee payroll	2.12%	2.00%	1.83%	1.14%

Notes to Schedule:	June 30, 2021
Valuation date:	Entry Age Normal
Methods and assumptions used to determine contribution rates:	Level dollar
Actuarial Cost Method:	20-year fixed period for 2021/22
Amortization Method:	Market value of assets
Amortization Period:	2.50% per year
Asset Valuation Method:	5.50% at June 30, 2021 (pre-funded with CalPERS diversified trust Strategy 2)
Inflation:	2.21% at June 30, 2020 (Bond Buyer 20-year index)
Investment return/discount rate:	Non Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
Medical Trend:	Medicare - 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
Mortality:	CalPERS 1997-2015 Experience Study
Mortality Improvement:	Mortality projected fully generational with Scale MP-2020

**South Bay Regional Public Communications Authority**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions – Other Postemployment Benefits (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Last Ten Fiscal Years**

**Other Postemployment Benefits ("OPEB")**

Fiscal year	2020-21	2021-22	2022-23
Actuarially determined contribution	\$ 85,588	\$ 298,470	\$ 300,428
Contribution in relation to the actuarially determined contribution	(335,588)	(292,863)	(295,224)
Contribution deficiency / (excess)	\$ (250,000)	\$ 5,607	\$ 5,204
Authority's covered employee payroll	\$ 7,482,812	\$ 6,425,816	\$ 6,542,989
Contributions as a percentage of covered employee payroll	1.14%	4.64%	4.59%

Notes to Schedule:	June 30, 2021
Valuation date:	Entry Age Normal
Methods and assumptions used to determine contribution rates:	Level dollar
Actuarial Cost Method:	20-year fixed period for 2021/22
Amortization Method:	Market value of assets
Amortization Period:	2.50% per year
Asset Valuation Method:	5.50% at June 30, 2021 (pre-funded with CalPERS diversified trust Strategy 2)
Inflation:	2.21% at June 30, 2020 (Bond Buyer 20-year index)
Investment return/discount rate:	Non Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
Medical Trend:	Medicare - 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
Mortality:	CalPERS 1997-2015 Experience Study
Mortality Improvement:	Mortality projected fully generational with Scale MP-2020



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Independent Auditors' Report**

To the Board of Directors  
of the South Bay Regional Public Communications Authority  
Hawthorne, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”), the financial statements of the business-type activities of the South Bay Regional Public Communications Authority, California (the “Authority”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises the Authority’s basic financial statements, and have issued our report thereon dated December 7, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of Authority’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Board of Directors  
of the South Bay Regional Public Communications Authority  
Hawthorne, California  
Page 2

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "The Per Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California  
December 7, 2023

G-3

Attachment 2



December 7, 2023

To the Board of Directors  
of the South Bay Regional Public Communications Authority  
Hawthorne, California

We have audited the financial statements of the business-type activities of South Bay Regional Public Communications Authority (the “Authority”) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 21, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority’s financial statements were:

- Management’s estimate of the depreciation on capital assets is based on the industry standard and past experience on actual useful life of the asset groups. We evaluated the key factors and assumptions used to develop the depreciation on capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of the net pension liabilities is based on the proportionated share of actuarial valuation on total pension liability and based on the proportionated share of fiduciary net position for CalPERS plan. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of the net other postemployment benefits (“OPEB”) liability is based on the actuarial valuation on the total OPEB liability. We evaluated the key factors and assumptions used to develop the net OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 1 – Reporting Entity and Summary of Significant Accounting Policy
- Note 6 – Defined Benefit Pension Plan
- Note 7 – Other Postemployment Benefits (“OPEB”)
- Note 9 – Commitments and Contingencies

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 7, 2023.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Authority’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

To the Board of Directors  
of the South Bay Regional Public Communications Authority  
Hawthorne, California  
Page 3

**Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Authority's Proportionate Share of the Net Pension Liability and Related Ratios, the Schedule of Contributions – Pensions, the Schedule of Changes in Net Other Postemployment Benefit Liability and Related Ratios, and the Schedule of Contributions – Other Postemployment Benefits, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

**Restriction on Use**

This information is intended solely for the information and use of Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "The Perini Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California

1-2





# Staff Report

South Bay Regional Public Communications Authority

**MEETING DATE:** January 16, 2024

**ITEM:** I-2

**TO:** Executive Committee

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ADOPTING A POLICY REGARDING SIGN-ON BONUSES AND REFERRAL BONUSES FOR LATERAL TRANSFER COMMUNICATIONS OPERATORS AND REPEALING RESOLUTION NO. 351 AND THE PREVIOUS RECRUITMENT INCENTIVE AND REFERRAL BONUS POLICY

**ATTACHMENTS:**

1. Resolution No. XXX
2. Exhibit A - Policy No. XXX
3. Exhibit B – Sign-On Bonus Agreement

## **RECOMMENDATION**

Staff recommends that the Executive Committee recommend that the Board of Directors adopt a resolution establishing a sign-on bonus and referral bonus policy for lateral transfer Communications Operators.

## **BACKGROUND**

In September 2022, the Authority proposed a recruitment incentive and referral bonus policy for the purpose of attracting highly qualified candidates for hard-to-fill positions. This policy was adopted by the Board of Directors on September 29, 2022. The intent was that the incentive and referral bonus would be in effect for a six-month trial period, which expired on March 29, 2023.

## **DISCUSSION**

The Authority has enhanced its efforts to recruit and hire new Communications Operators over the last 18 months but still has an immediate need to fill at least seven more positions. The recruitment incentive and referral bonus policy implemented in September 2022 was one of the initiatives the Authority tried. After reviewing the outcome of that six-month trial

period and its long-term implications, the Authority has determined that the recruitment incentive did not have a lasting impact attracting highly qualified applicants and only attracted one lateral transfer (i.e. a dispatcher from another agency). The Authority believes that our focus with future recruitment incentives should be on attracting well-qualified dispatcher lateral transfers.

Individuals that are lateral transfers have already demonstrated the requisite skills and abilities necessary to work as a dispatcher. This increases the likelihood they would successfully complete their probationary period with the Authority. For this reason, the Authority believes a more lucrative incentive for laterals is a justified investment. Our research indicates that the lateral transfer recruitment bonus of \$7,500 offered in our initial trial period is no longer competitive in the region. The trend in the last 18 months shows increasingly larger sign-on bonuses across the state for lateral transfers along with other incentives being offered. The cities in bold are of particular interest being in and around Los Angeles County.

<b>CITY OR COUNTY</b>	<b>LATERAL BONUS</b>
Santa Rosa	\$25,000
Yuba City	\$22,500
<b>Glendale</b>	<b>\$20,000</b>
<b>Hemet</b>	<b>\$20,000</b>
Contra Costa County	\$20,000
<b>Alhambra</b>	<b>\$20,000</b>
Vacaville	\$20,000
<b>National City</b>	<b>\$20,000</b>
Ukiah	\$15,000
Napa	\$15,000
Elk Grove	\$12,500
Eureka PD	\$10,000
<b>Westminster</b>	<b>\$10,000</b>
<b>Pismo Beach</b>	<b>\$10,000</b>
<b>San Luis Obispo</b>	<b>\$10,000</b>
Hayward	\$10,000
<b>Azusa</b>	<b>\$10,000</b>
<b>Riverside</b>	<b>\$10,000</b>
<b>Chino</b>	<b>\$10,000</b>
Fremont	\$7,500
<b>Long Beach</b>	<b>\$6,000</b>
<b>Santa Maria</b>	<b>\$6,000</b>
<b>Chula Vista</b>	<b>\$5,000</b>

The Authority proposes a \$20,000 one-time sign-on bonus for well-qualified dispatcher lateral transfers payable upon successful completion of their first phase of training. The increased bonus is a competitive amount in the region likely to be more effective at enticing laterals to apply. The Authority will also include a new payback clause that obligates lateral recipients of the bonus to repay a pro-rated amount if, for a variety of reasons, their employment ends before 24 months following their completion of the first phase of training.

Along with the increased lateral sign-on bonus, the Authority proposes a larger employee referral bonus of \$10,000. There was limited success with the original employee referral bonus of \$5,000 used during the trial period. The Authority believes the larger referral bonus will be a strong motivator for the recruitment of laterals. It should encourage our current employees to actively network and promote the advantages of working as a dispatcher for the Authority. The referral bonus will continue to be paid in two parts as before with the first half payable when the referred lateral completes their first phase of training and the second half when the lateral successfully completes their probationary period. The timing of the payout of the second half of the referral bonus provides motivation for the employee to remain a vested and supportive role model during the lateral's probationary period.

Staff worked with General Counsel to draft the attached sign-on bonus and referral bonus policy for the Authority. The policy, to summarize, targets the recruitment of highly-qualified dispatcher lateral transfers with a \$20,000 sign-on bonus that includes a payback provision should their employment terminate before 24 months after they complete the first phase of training. The policy also provides for an employee referral bonus of \$10,000 made in two equal disbursements.

### **FISCAL IMPACT**

None. No additional budget appropriation is needed as any bonus payments would be offset by salary savings created by the vacancies being recruited.

I-2

Attachment 1

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ADOPTING A POLICY REGARDING SIGN-ON BONUSES AND REFERRAL BONUSES FOR LATERAL TRANSFER COMMUNICATIONS OPERATORS AND REPEALING RESOLUTION NO. 351 AND THE PREVIOUS RECRUITMENT INCENTIVE AND REFERRAL BONUS POLICY**

WHEREAS, pursuant to Article IV of the Bylaws of the South Bay Regional Public Communications Authority, the Board of Directors shall make all policy decisions and determinations for the Authority;

WHEREAS, the Board of Directors desires to establish a program to attract highly qualified lateral communications operator candidates for hard-to-fill positions.

WHEREAS, the Board of Directors previously adopted a Recruitment Incentive and Referral Bonus Policy on September 29, 2022, through Resolution 351, which it now desires to repeal.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the South Bay Regional Public Communications Authority:

SECTION 1. The Board of Directors adopts the Policy Regarding Sign-On Bonuses and Referral Bonuses for Lateral Transfer Communications Operators attached hereto as Exhibit A.

SECTION 2. This Policy provides an opportunity for a referral bonus to employees who successfully recruit lateral transfer communications operator candidates for designated hard-to-fill positions pursuant to the eligibility and qualification requirements as set forth in the Policy.

SECTION 3. This Policy provides a signing bonus for lateral transfer communications operator employees hired into designated hard-to-fill positions as more fully set forth in the Policy.

SECTION 4. This Policy may be discontinued at any time at the sole discretion of the Executive Director.

BE IT FURTHER RESOLVED, that Resolution 351 adopted on September 29, 2022 is hereby repealed.

WE HEREBY CERTIFY that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 16th day of January, 2024, by the following vote.

AYES: Tanaka, Lesser, Monteiro

NOES: None

ABSENT: None

ABSTAIN: None

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Rodney G. Tanaka, Chair  
Board of Directors

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M. Ross Klun, Secretary  
Board of Directors

I-2

# Attachment 2

# SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

## MEMORANDUM

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**DATE:** MONTH, DD, 2024

**TO:** ALL PERSONNEL

**SUBJECT:** POLICY REGARDING SIGN-ON BONUSES AND REFERRAL BONUSES FOR LATERAL TRANSFER COMMUNICATIONS OPERATORS

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This Policy establishes and governs the terms of sign-on bonuses and referral bonuses for the South Bay Regional Public Communications Authority (“Authority”). While this Policy is applicable to all Authority employees, not all employees are eligible for the bonuses discussed herein. Eligibility shall be determined according to the terms of this Policy, and where there is any disagreement over the interpretation of such terms, the Executive Director shall have the sole discretion to resolve any terms in dispute. This Policy, and the application, interpretation, or implementation thereof, are not subject to any grievance or appeal process.

This Policy will be in place following the adoption of Resolution No. [REDACTED], and may be discontinued at any time at the discretion of the Executive Director. This Policy does not apply retroactively.

### I. Sign-On Bonuses

In today’s competitive recruitment market, the Authority has determined that payment of sign-on bonuses is an effective way to recruit talented lateral communications operator candidates for employment with the Authority. The Authority will therefore pay certain candidates a sign-on bonus after the candidate has completed the first phase of training as an incentive for the candidate to accept employment at the Authority and remain satisfactorily employed with the Authority for two full years after the candidate has completed the first phase of training.

Candidates selected for lateral communications officer positions designated as “hard-to-fill” are eligible for a sign-on bonus in the gross amount of twenty-thousand dollars (\$20,000.00), paid through payroll and subject to taxes and



required withholdings. The designation of a position as hard-to-fill will be made by the Executive Director, in his or her sole discretion. Factors that may be considered include past and anticipated recruiting challenges, turnover rates, and the critical need to fill the position. Any position designated as hard-to-fill will be advertised as such in the public job posting.

A position may be designated as hard-to-fill in one recruitment, but not in a future recruitment. Similarly, a job may be designated as hard-to-fill after it has been posted but before the job has been filled, in which case, a revised job posting will be made immediately.

If an employee who has received a sign-on bonus does not remain employed with the Authority for 24 full months after the employee has completed the first phase of training, the employee is required to repay the Authority on a pro-rated basis as follows:

Months After Completing First Phase of Training	Repayment Amount
1	\$19,166.67
2	\$18,333.33
3	\$17,500.00
4	\$16,666.67
5	\$15,833.33
6	\$15,000.00
7	\$14,166.67
8	\$13,333.33
9	\$12,500.00
10	\$11,666.67
11	\$10,833.33
12	\$10,000.00
13	\$9,166.67
14	\$8,333.33
15	\$7,500.00
16	\$6,666.67
17	\$5,833.33
18	\$5,000.00
19	\$4,166.67
20	\$3,333.33
21	\$2,500.00
22	\$1,666.67
23	\$833.33

The employee will be required to repay the Authority any amount owed under this Policy within one month of his/her separation from employment. The employee may authorize the Authority to deduct the amount owed from his/her final paycheck, or the employee may choose to write a check to the Authority. If the employee does not repay the amount owed within one month of separation from employment, the Authority may pursue any available remedy to recoup the funds, including formal legal action against the employee.

Under certain circumstances, an employee may be excused from repaying the Authority if the reason for the employee's separation from employment was beyond the employee's control. Any employee who receives a sign-on bonus will be required to sign a Repayment Agreement, which sets forth in detail the reasons that repayment may be excused.

If there is any conflict in terms between this Policy and the Repayment Agreement, the terms of the Agreement shall govern. This Policy is not intended to modify the Agreement in any way.

## II. Referral Bonus

To recruit talented lateral communications officer candidates for employment with the Authority, the Authority will pay its employees a referral bonus for successfully recruiting candidates into designated hard-to-fill positions.

The designation of a position as hard-to-fill will be made by the Executive Director, in his or her sole discretion. Factors that may be considered include past and anticipated recruiting challenges, turnover rates, and the critical need to fill the position. Any position designated as hard-to-fill will be advertised as such in the public job posting and announced via Authority-wide email.

A position may be designated as hard-to-fill in one recruitment, but not in a future recruitment. Similarly, a job may be designated as hard-to-fill after it has been posted, but before the job has been filled, in which case, a revised job posting will be made immediately.

An employee who successfully recruits a candidate into a hard-to-fill position is eligible for a bonus in the gross amount of ten thousand dollars (\$10,000.00), with \$5,000 payable to the referring employee upon the newly hired employee's completion of the first phase of training, and an additional \$5,000 payable after the newly hired employee's successful completion of the probationary period. If the newly hired employee does not complete the first phase of training for any reason other than death or serious injury or illness, no referral bonus shall be paid.

The bonus shall be paid through payroll and subject to taxes and required withholdings. The following additional terms apply:

- The Executive Director is not eligible to receive a referral bonus. Nor is any employee who plays a role in the decision to hire for the designated hard-to-fill position.

- Family members of a recruited employee are not eligible to receive a referral bonus. Family members include: spouse or domestic partner, sibling, children of any age, parents, grandparents, or any person sharing a residence with the employee.
- The referring employee must complete and submit a “Request for Employee Referral Bonus” form and submit it to the Executive Director on or about the date of the candidate’s submission of an employment application.
- The candidate must identify the referring employee on his or her job application at the time the application is submitted. If no referring employee is identified on the original job application, then no referral bonus shall be paid.
- Only one employee may qualify for the referral bonus for each referred employee.
- If the candidate is offered the position but turns it down for any reason, no referral bonus will be paid.
- Only employees currently employed by the Authority at the time the referral bonus is scheduled to be paid are eligible to receive the bonus.
- There is no cap on the number of times an employee may qualify for a referral bonus.
- Whether a candidate is associated with a potential referral bonus shall have no impact on the hiring decision for the position.
- Any dishonesty or fraud in connection with this Policy shall be subject to discipline, including termination, of either or both employees.
- There is no referral bonus available with regard to any candidate currently working for the Authority in any capacity, whether as a regular employee, volunteer, intern, temporary employee, contractor, or any other designation, who is then hired into a hard-to-fill position.

I-2

Attachment 3

**SIGN-ON BONUS AGREEMENT - DRAFT**

This sign-on bonus agreement is made between the South Bay Regional Public Communications Authority (“Authority”) and \_\_\_\_\_ (“Employee”) on \_\_\_\_\_, \_\_\_\_\_, for the position of \_\_\_\_\_.

The Authority agrees to pay Employee a sign-on bonus as an incentive for Employee to accept employment at the Authority and remain satisfactorily employed with the Authority for at least two (2) full years after the date Employee completes the first phase of training.

The Authority and Employee agree to the following terms:

Sign-on Bonus: The Authority agrees to pay Employee a one-time sign-on bonus in the gross amount of twenty thousand dollars (\$20,000.00), paid to Employee through payroll, subject to all required taxes and withholdings, and reported as income on Employee’s W-2 form. The sign-on bonus shall be paid the first full pay period following the date Employee completes the first phase of training.

Repayment Due to Termination of Employment: If Employee’s employment with the Authority terminates less than 24 full months after Employee completes the first phase of training, Employee agrees to repay the Authority on a pro-rated basis as follows:

Months After Completing First Phase of Training	Repayment Amount
1	\$19,166.67
2	\$18,333.33
3	\$17,500.00
4	\$16,666.67
5	\$15,833.33
6	\$15,000.00
7	\$14,166.67
8	\$13,333.33
9	\$12,500.00
10	\$11,666.67
11	\$10,833.33
12	\$10,000.00
13	\$9,166.67
14	\$8,333.33

15		\$7,500.00
16		\$6,666.67
17		\$5,833.33
18		\$5,000.00
19		\$4,166.67
20		\$3,333.33
21		\$2,500.00
22		\$1,666.67
23		\$833.33

Employee agrees that he/she will repay the Authority any amount owed under this Agreement within one month of his/her separation from employment. Employee may authorize the Authority to deduct the amount owed from his/her final paycheck, or Employee may choose to write a check to the Authority. If Employee does not repay the amount owed within one month of separation from employment, the Authority may pursue any available remedy to recoup the funds, including formal legal action against the employee.

Forgiveness: If Employee fails to remain employed by the Authority for two years as set forth herein for reasons beyond his/her control, the Authority may in its sole discretion waive all or part of the liability owed by Employee. Any such waiver must be approved in writing by the Executive Director. Reasons beyond Employee's control include: death, injury, or illness; layoff; or termination not for cause. It does not include voluntary resignation, termination for cause, or termination due to the loss of required qualifications or licensure.

No Guarantee of Continued Employment: Nothing in this Agreement guarantees employment for any period.

The Authority and Employee each represent that they have read this agreement and that they understand all its provisions and that they enter into it voluntarily.

In WITNESS THEREOF:

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Date

**J-1**

**MINUTES OF A REGULAR JOINT MEETING  
OF THE EXECUTIVE COMMITTEE AND THE  
USER COMMITTEE**

**SEPTEMBER 19, 2023**

A. **CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:02PM on Tuesday, September 19, 2023, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

B. **ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Bruce Moe, City of Manhattan Beach  
City Manager Clint Osorio, City of Gardena  
Chief Mike Saffell, Gardena Police Department  
Chief Gary Tomatani, Hawthorne Police Department  
Chief Rachel Johnson, Manhattan Beach Police Department  
Chief Mike Lang, Manhattan Beach Fire Department  
Capitan Andrew Enriquez, Manhattan Beach Police Department

Absent: Administrative Services Manager John Krok

Also Present: Executive Director M. Ross Klun  
Operations Manager Shannon Kauffman  
Finance Manager Vanessa Alfaro  
Executive Assistant Cristina Manley  
RWG Law Jennifer Petrusis

C. **PUBLIC DISCUSSION**

None.

D. **EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Check Register – July 2023 and August 2023  
**RECEIVE AND FILE**
2. Minutes from June 20, 2023  
**APPROVE**
3. Minutes from June 28, 2023  
**APPROVE**
4. Minutes from July 18, 2023  
**APPROVE**
5. Termination Agreement Between the South Bay Regional Public Communications Authority and Mark43, Inc. Providing for Earlier Effective Termination Date for CAD Software and Professional Services Agreement  
**APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT**
6. Fiscal Year 2022-2023 Budget Performance Report for the period July 1, 2022 through June 30, 2023



**RECEIVE AND FILE**

7. Quarterly Cash Investment Report as of June 30, 2023

**RECEIVE AND FILE**

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

E. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

F. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Executive Director's Update on Staffing and Recruitment  
**RECEIVE AND FILE**

Executive Director Klun provided a Power Point presentation on Staffing and Recruitment. Our current staffing levels at 84%, 2 more operators hired in August and 1 conditional offer pending. Hired 14 operators since December.

2. Agreement Between the South Bay Regional Public Communications Authority and Cit Com for Public Safety Consulting Services Regarding Computer Aided Dispatch System  
**APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT**

Executive Director Klun provided an overview of the staff report of the agreement with Cit Com. The Executive Committee consider and approve the Agreement with Cit Com. On August 22, 2023, the Ad Hoc Committee on CAD System Consultant Selection met and considered four proposals from CAD consultants and decided to recommend that the Authority engage Cit Com. Finalist Recommendation Report to be submitted to the Executive Committee for review and consideration.

City Manager Moe expressed concerns that both police and fire have adequately equal input with the selection. Ultimately, it will come back to the Executive Committee for final. Also, mentioned the benefits of having an RFQ as a first step, so you can prequalify everybody before they spent the time and effort looking at proposals. Narrow the field to get the best selection. Recommended to do an RFQ.

City Manager Osorio expressed concerns of considering an RFQ for selection. Further discussion on the history of selection process of an RFP which resulted with Mark43 and now the current objective with getting the right selection meeting all the needs. Suggesting an RFQ to make the selection process smoother for the Authority.

Jennifer Petrusis explained circumstances under the Purchasing Policy with RCC. This falls under Professional & Software does not require formal bidding. Explained the scope of an RFP, make check-in points in the process for the Executive Committee to weigh in on vendors before that final selection by the consultant Cit Com. Ultimately, it's the Authorities decision to move forward with the vendor. Formal competitive bidding process in the policy, no one is precluded. The consultant is not making the decision for the Authority, they're presenting advice.

Director Klun discussed that the Agreement is not prepared to be signed and come back with a plan for an RFQ. Scope of services – add RFQ process.

City Manager Osorio motion: Vote to approve the contract with the stipulation of adding the RFQ process and not exceed \$60,000 total, with an addition to the scope of services.

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

G. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from June 20, 2023
2. Minutes from June 28, 2023
3. Minutes from July 18, 2023
4. Minutes from August 7, 2023

**MOTION:** Chief Lang moved to receive and file. The motion was seconded by Chief Johnson and passed 3-0.

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **USER COMMITTEE GENERAL BUSINESS**

1. Consider Using a 3<sup>rd</sup> Party Consultant to Evaluate the Resiliency of the Authority's Headquarters Facility and Protocols Relative to Power Outages and Disasters

**PROVIDE DIRECTION**

Chief Tomatani commented on a “fix” (viable solution) that was proposed between Hawthorne IT and RCC staff. Recommend for the consultant to look the solution that Hawthorne IT and RCC staff came up with. Direct consultants to focus on the RCC critical systems i.e. dispatch floor, transmission tower and server room. Single point of failures – transfer switch. A potential solution that doesn't involve the current infrastructure of this building, in terms of the next failure. Recommended to have a battery system in place would power for a max of 2 hours.

Chief Lang commented on multiple failures – protocols, contact duty crews, procedure of policies. Requested a copy after action report of this incident.

Director Klun commented on a presentation sent out to the group/update in our monthly meetings and continue to do refinements. Discussion of Energy Audit and proposals of getting whole-building battery backup system.

City Manager Norris recommended for the presentation sent out the User Committee via email.

**MOTION:** Chief Saffell, 3<sup>rd</sup> party Audit of the incident on July 9, 2023 and the response by RCC relative to the notifications, training of employees, policy and any equipment failure(s) or future needs of equipment.

**MOTION:** The motion was seconded by Chief Johnson and passed 4-0.

2. Consider Using PulsePoint Community Notification Software for Fire Department Dispatch Needs at South Bay Regional Public Communications Authority

**PROVIDE DIRECTION**

Chief Lang discussed the importance of PulsePoint. Director Klun commented on the technical feasibility interface with our CAD system and tiger PulsePoint to send out CPR request to the public (need further review from Hawthorne IT). Building a custom integration with our CAD system to supply RMS system information to First Due. Waiting on the interface portion and will provide on update. Community Activity – that portion is available now.

Director Klun was given direction to move forward. Sign-up \$10,000 & \$10,500 Annual Subscription (Community Status Activity) for all three fire departments paid by the Authority. Continue to look for a solution for the technical side automated trigger.

J. **EXECUTIVE DIRECTOR’S REPORT**

Director Klun provided an update from the Board of Directors. Organizational/JPA documents uploaded to the website. Currently, working the Matrix Consulting five-year CIP. Includes few meetings and exchange of data. City of Redondo Beach requested a site visit and tour of the Authority’s Operation. Discussion of Dispatch Time comparison over the last 4 quarters. 9-1-1 Call answering Performance for the last 4 quarters – numbers are outstanding currently at 99%. Technical Services – quarterly labor averages between 500-1,000 hours. Back-ordered police vehicles from COVID shutdown begin to arrive in FY23 Q3. Build-outs for the influx of vehicles have now been completed. Tropical Storm Hilary, slight increase in 9-1-1 calls during the storm. The 4th of July is historically a much busier event.

K. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

Chief Lang expressed concerns on the selection of a CAD system both fire and police adequately equal input.

L. **ADJOURNMENT**

The meeting was adjourned at 2:57PM.

**MINUTES OF A REGULAR JOINT MEETING  
OF THE EXECUTIVE COMMITTEE AND THE  
USER COMMITTEE**

**NOVEMBER 21, 2023**

A. **CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:06PM on Tuesday, November 21, 2023, in the second-floor conference room of the South Bay Regional Public Communications Authority at 4440 West Broadway, Hawthorne, CA.

B. **ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Bruce Moe, City of Manhattan Beach  
City Manager Clint Osorio, City of Gardena  
Chief Mike Saffell, Gardena Police Department  
Chief Gary Tomatani, Hawthorne Police Department  
Chief Rachel Johnson, Manhattan Beach Police Department  
Chief Mike Lang, Manhattan Beach Fire Department

Absent: Operations Manager Shannon Kauffman

Also Present: Executive Director M. Ross Klun  
Administrative Services Manager John Krok  
Staff Services Jennifer McReynolds  
Finance Manager Vanessa Alfaro  
Executive Assistant Cristina Manley  
RWG Law Jennifer Petrusis

C. **PUBLIC DISCUSSION**

None.

D. **EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Check Register – September 2023 and October 2023  
**RECEIVE AND FILE**
2. Fiscal Year 2023-2024 Budget Performance Report for the period July 1, 2023 through September 30, 2023  
**RECEIVE AND FILE**
3. Cash Investments Report for September 30, 2023  
**RECEIVE AND FILE**

**MOTION:** City Manager Moe moved to receive and file. The motion was seconded by City Manager Norris and passed 3-0.

E. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

F. **EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Executive Director's Update on Staffing and Recruitment  
**RECEIVE AND FILE**

Executive Director Klun provided a Power Point presentation on Staffing and Recruitment. We have one applicant in BG's and recruiting event next week at Hawthorne High School. Last couple of months of the end of the year are typically slow due to the holidays. Current staffing levels are at 86%. Upcoming Supervisor eligibility list – testing soon.

G. **USER COMMITTEE CONSENT CALENDAR**

1. Minutes from August 7, 2023  
**APPROVE**

**MOTION:** Chief Saffell moved to receive and file. The motion was seconded by Chief Johnson and passed 3-0.

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Klun provided a Power Point presentation on PulsePoint. PulsePoint met with our IT and changes were made to the CAD database to export the data PulsePoint. Next step is for PulsePoint provide us with some network connectivity. Our IT is developing a work-around to satisfy fire department requirements for FirstDue RMS as well as PulsePoint. The first step is for PulsePoint to get community awareness piece working.

CAD update – RFQ published October 17, 2023 and closed on November 20, 2023  
4 Respondents need to be validated: 1. CentralSquare 2. Hexagon 3. Tyler 4. Versaterra  
Important dates RFP – Release RFP 12.29.23, Receive Proposals 2.1.2024, Select Vendor 3.15.24, Contract Executed 6.1.2024 and Implementation 6.1.2025

After-Action Report – July 9<sup>th</sup> Power Outage

Authority was directed to have an outside party to conduct a review and produce an After-Action report (AAR) and recommendations. Matrix Consulting Group is doing the AAR, started on 10.30.23 and expected to be completed approximately 6 weeks. Data was request to Matrix and currently working on interviews with key players and stakeholders.

Working with an energy consultant for solar panels, EV Chargers (7 total), and whole building battery backup system providing 4 hours of continuous power. Working with the After-Action Report consultant on how this battery backup system fits into any recommendations they may have.

McIntyre-St. Clair LLC – Working on a 5-Year Strategic Plan. Conducting interviews with all stakeholders: Board of Directors, Executive Committee, RCC staff and all nine agencies Chiefs. Expected plan completion and Executive Committee presentation is March 2024.

Working with Matrix Consulting Group – 5 CIP  
Presentation to the Executive Committee in December or January.

Site Tours for the City of Redondo Beach for city officials in August.

2023 Q3 Incident entry time comparisons. Incident entry time starts when a 9-1-1 call is answered and ends when CAD incident is created. The 7-10 second increase in Q2 was attributed to an influx of new operators training at this position. As these Operators have continued to gain more experience, corresponding decrease in these times back to our baseline. 9-1-1 call answering times 10 seconds or less.

Technical services stats - 32 vehicles build last quarter. 100 plus public safety vehicles are current on order. Chief Saffell commented, knowing the anticipation of these current vehicles on order. Any thought of contracting some of that work to other vendors. Manager Krok commented on factors on dealing with outside vendors (consistency, quality etc.). RCC is well equipped to handle and currently working with the cities for these build outs. In the process of hiring an installer to help out with the demand.

J. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

City Manager commented on the out pouring support from all the neighboring cities for Officer Chad Swanson tragedy.

K. **ADJOURNMENT**

The meeting was adjourned at 2:28PM.